FBIS DAILY REPORT

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CAPUTO ACKNOWLEDGES UN SUPPORT ON FALKLANDS

Cites Votes by EEC Members

PY252243 Buenos Aires TELAM in Spanish 2023 GMT 25 Nov 86

[Text] Buenos Aires, 25 Nov (TELAM) -- Foreign Minister Dante Caputo today said that the UN General Assembly decision to support the Argentine position in search of a negotiated settlement for the Malvinas Islands' conflict means that the organization has disapproved of the British intransigence.

Caputo made this statement from the United Nations headquarters, during a phone conversation with Radio (?Continental) of Buenos Aires. The minister said that this resolution, which has markedly increased Great Britain's isolation, has depicted the British position in an almost crude fashion, as in the past 2 days Great Britain has stated four or five times that it does not want to negotiate just because it does not want to negotiate.

He warned that this behavior cannot be adopted with impunity within the United Nations, considering that Great Britain is one of the five UN Security Council members. The council is charged with maintaining peace, making sure that each state abides by the principles of the UN Charter. Article 1 of the UN Charter states that controversies must be settled peacefully.

Caputo added that with 116 votes, the United Nations today disapproved of the British position because this country has violated the most essential principles of international coexistence and international law.

He said that the Argentine delegation knew that the result of the vote would be even more favorable than in 1985, but the resolution has actually disapproved of [passage indistinct] condemn the British (?position), because Great Britain does not want to discuss its differences with our country on the basis of open-minded, general criteria. This is not a surprise. We are really happy, because we know we have taken another step forward in the task of recovering the Malvinas Islands by peaceful means, a task which is so difficult and so complex, Caputo said.

In response to a question, Caputo said that a few hours before the vote Prime Minister Margaret Thatcher strongly pressured some of the countries that voted in favor of Argentina.

The minister emphasized the fact that the Netherlands, an EEC member, changed its vote and that Norway supported the Argentine position. The position of Great Britain's main European allies is becoming weaker each year, Caputo said.

He also stressed that the FRG, a major British ally, abstained. He compared the situation [passage omitted] as Argentina would have been affected if a neighboring country like Uruguay had abstained instead of voting for Argentina. We would be really (?concerned), he said.

The minister added that this is the case of the FRG (which abstained), and the Netherlands, which voted for Argentina despite being a close neighbor of the British. This happened because the British intransigence has caused growing concern not only to Third World countries but also to Great Britain's principal allies, he said.

Caputo stated that the vote was very difficult and that Great Britain exerted psychological pressure on the delegates. He explained that while (?Argentina) does not possess diplomatic missions in 50 percent of the 116 countries whose delegates voted for the Argentine position, Great Britain maintains diplomatic ties with all of them, which means that the British are in a more comfortable position to apply economic and political pressure.

This is clear proof that Argentina is struggling for a just cause. This result has also emphasized the importance of this repeated victory within the (?United Nations).

Concerning an incident involving a British plane overflying Argentine waters, on which the Foreign Ministry reported yesterday, Caputo recalled that yesterday he raised the issue at the United Nations, adding that it is necessary to find a negotiated settlement because otherwise there will be a serious problem in the South Atlantic.

Sees 'Price To Be Paid'

PY260359 Buenos Aires Domestic Service in Spanish 0200 GMT 26 Nov 86

[Interview with Foreign Minister Dante Caputo by correspondent Horacio (Zucate) at United Nations headquarters in New York on 25 November -- recorded]

[Text] [Caputo] I believe that the outcome of the vote at the United Nations entails considerable progress for us and that, in the final analysis, it reflects the opinion of the international community on our country's reasonable approach to the issue and on Great Britain's inflexible and intransigent position at this forum.

[Zucate] Do you believe that the British stance may have persuaded many countries to change the position that they adopted in 1985, when they voted against our country?

[Caputo] Yes, I do. I believe that lately, in one way or another, we have managed to make Great Britain express, more crudely than ever before, its real position. In the past, Great Britain had excuses, claiming that it opposed the resolutions for one reason or another. Now, this resolution, which is very elementary and which only advocates negotiations, has unveiled the true British position.

As you know, to refuse to engage in negotiations is something very serious, something that exacts a high price at the international level.

The statement by the British ambassador at the United Nations yesterday was a mixture of arrogance and contempt. He was arrogant when he said: We will never agree to negotiate this issue, we will not agree to engage in talks. As you know, there is a price to be paid for a statement like this.

A country that is a UN Security Council member, a country whose mission is to safeguard international peace, has refused to abide by Article 1 of the UN Charter, which is the foundation of this world organization. A price has to be paid for this. In this difficult and complex effort to peacefully recover the islands, Argentina is trying to make the British position increasingly unsustainable.

To render it increasingly unsustainable means to raise the political price that Great Britain has to pay, by increasing its isolation at international and domestic levels.

Today's vote, the 116 votes we received, is an exceptional result for a UN resolution and it shows that a price has to be paid for the things that Great Britain is doing.

[Zucate] Sir, what can you tell us about the latest incident between a British plane and an Argentine fishing boat? What happened when the incident was reported at the United Nations?

[Caputo] When we learned about the incident we reported it to the United Nations General Secretariat through a note warning of the serious implications of this British action. In my speech yesterday I warned the UN General Assembly about Great Britain's aggressive attitude, which can generate tension and friction in the South Atlantic. Unfortunately, I predicted something like this last year, when I told the UN General Assembly -- exactly 1 year ago -- that if we did not begin negotiations, many problems, such as fishing in the South Atlantic, would become worse. Unfortunately, that prediction has become true. I hope this warning to the General Assembly against possible frictions will not go unheeded. I believe that to refuse to negotiate is dangerous and creates tension. Argentina's strength is based on its prudence. Unfortunately, this aggressive patrolling and overflying by Great Britain is a source of permanent concern for us.

[Zucate] As to the abstention of 34 nations, do you have a clear idea of what prompted it?

[Caputo] Look, these are countries that do not want to take a stand for some reason or another. I would like to point out that the number of abstaining countries has been declining each year. I would also like to state that an abstention is not a vote against Argentina. Only four countries have voted against our position. Furthermore, most of the countries that abstained are very close to Great Britain. I would like to draw the following picture for you: Let us suppose that there was a draft resolution against Argentina and countries like Uruguay and Brazil abstained. You can imagine that something like that would be very hard on the country that abstained. This is what is happening with many EEC countries not voting for us yet, but by abstaining they are not supprting the position of the United Kingdom.

[Zucate] Could this reasoning also apply to those five countries that did not participate in the voting?

[Caputo] You know that at every vote there are unknown factors. Some countries prefer to avoid the responsibility of decisionmaking; others may have coordination problems and are unable to attend.

[Zucate] Finally, Mr Foreign Minister, in the wake of all these efforts that have been favorable to our country, what are we to expect now, what are the next steps, what can happen next?

[Caputo] Well, we must go forward, keep doing what we have been doing so far, isolating the United Kingdom, increasing its domestic and foreign costs. If all this were pointless, the United Kingdom would not engage in far-flung maneuvers designed to prevent countries from voting against it.

We will pursue a course of action within which the United Nations is a means, and I would like to reaffirm our position in favor of a negotiated solution to the conflict. However, this negotiated solution under no circumstances means stagnation or ceasing to provoke situations that could help Argentine interests.

[Zucate] In sum, you believe in permanently brandishing the Malvinas issue. Is there another forum for this in sight?

[Caputo] I believe that our position over the last 3 years has been to prevent the issue from becoming routine, from becoming some kind of beaten path along which there is nothing new, something looked upon by the international community as an unimportant issue. This issue must stay alive and ever-present. This is a difficult task. All we have are our arguments, while Great Britain has enormous international clout. However, we will keep going nevertheless.

[Zucate] Thank you sir, and we would like to congratulate Argentina's diplomacy through you. You have been very kind.

[Caputo] Thank you.

FISHING NEGOTIATIONS PROCEED WITH ROK

PY252153 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1349 GMT 25 Nov 86

[Text] Mar del Plata, 25 Nov, (NA) -- Fishing Under Secretary Luis Jaime has announced that the ROK has joined the group of Western countries, which includes Japan, with which Argentina is negotiating fishing agreements. At the same time, Jaime stated that the fishing sector, "will increase its exports and thus its foreign exchange revenues."

Jaime pointed out that the agreement provides for cooperation in research, especially outside the 200-mile territorial waters where the exchange of scientific data and the research campaign "will serve to increase the knowledge of the fishing resources in the South Atlantic."

Jaime also stated that the various measures taken by the government to develop fishing activities since early 1986 "have served to activate and clarify fishing activities, including the removal of most export surtaxes except for shrimp."

Among the governmental measures, Jaime also cited "the renewal of the fishing fleet and the clearance and streamlining of the bureaucracy for issuing fishing licenses."

Jaime stated that "any businessman who wants to build a ship and join the fishing fleet has access to a fishing license" and that "there is a growing demand."

Jaime pointed out that the standard fishing agreement "will make it possible for Argentina to seriously regulate its fisheries as one of the leading coastal states. These agreements will also ratify Argentina's status as a coastal state."

BARTHELEMY SAYS STATE OF SIEGE LIFTED

PY252205 La Paz La Red Panamericana in Spanish 1700 GMT 25 Nov 86

[Text] Interior Minister Fernando Barthelemy this morning met with President Victor Paz Estenssoro at Government Palace.

[Begin Barthelemy recording] I have informed the president about administrative matters concerning my ministry, and have confirmed that the state of siege will be lifted because the president has not asked Congress to extend it. [end recording]

Minister Barthelemy said the state of siege will be lifted on 27 November, 90 days after its imposition, and that this proves that the situation in the country is normal. Panamericana, however, asked the minister about the situation in the country:

[Begin Barthelemy recording] I believe the situation is good. [Words indistinct]. The miners understand that it would have been impossible to continue operating the mines under the previous conditions. Thus, they have accepted the government proposals, which represents a great effort, and which will help to control inflation in the country. [end recording]

Asked about the investigation of the murder of Deputy Edmundo Salazar, Barthelemy said that the investigations are going well, and that there is sufficient evidence to lead the police to the murderers.

The minister told Panamericana that the leadership of the task force in charge of the antidrug struggle is made up of high-ranking police officers. The elite [mobile units for rural areas] forces are subordinated to this command, which coordinates its operations through a military office, because the Armed Forces are providing logistical support to the antidrug struggle.

The helicopters donated by the U.S. Government have been assigned to the Bolivian Air Force. The Navy will provide patrol boats to support antidrug operations. The Army will be in charge of communications. The Bolivian personnel who will fly the helicopters are about to complete their training. These helicopters will soon be commissioned in an all-out fight against drug trafficking.

GOVERNMENT MAKES CONCESSIONS TO MINEWORKERS

PY221357 La Paz La Red Panamericana in Spanish 1130 GMT 22 Nov 86

[Excerpts] The government has replied to the proposals of the Bolivian mineworkers by granting a number of social benefits to the workers. This was announced a few hours ago by Mines and Metallurgy Minister Jaime Villalobos during a press conference. The minister said that the government reply has already been announced to the mineworkers, and that it is expected that their claims have thus been satisfied.

The following benefits have been granted. Forgiving their debts to the mining company stores; allowing mineworkers who have left the mining company of Bolivia [Comibol] to remain in company housing for 3 months; granting social security benefits to all mineworkers who do not already enjoy such benefits. The possibility is also being analyzed of allowing children studying at Comibol schools to remain in these schools even after their parents withdraw from the state company. The government will also grant a year's pay to Comibol workers who have been hired by other companies.

The mines minister charged that the mineworkers have plans to carry out a number of actions to destabilize the current government. This is what he said:

[Begin Villalobos recording] [Passage omitted] The government has received reports, which may or may not be true, that the Trade Union Federation of Bolivian Mineworkers plans to disturb public order, and to incite hunger strikes, the blocking of streets and highways, and disturbances at the mines. [end recording]

The mining minister then said that the government is not blackmailing the workers by warning them of the problems that new strikes would cause. He repeated that no further concessions can be granted, and asked the mineworkers to understand the situation of crisis the country is experiencing.

INSURANCE DEBT MAY BRING HALT TO AIR TRAVEL

PY241441 La Paz La Red Panamericana in Spanish 1130 GMT 24 Nov 86

[Text] Bolivian Air Force [FAB] Commander Jorge Rodriguez has stated that the Air Force transport service may stop operations at any time. The FAB commander said that the state is in arrears with the insurance company that covers domestic flights by FAB airplanes.

Rodriguez made it clear that the June installment has only recently been paid. Owing to the irregularity of payments, the insurance company that covers the FAB may terminate its services.

In April 1986, the insurance company La Continental de Seguros decided to stop covering the FAB until the back payments were made. According to the FAB commander, a similar action could take place now, within a few days.

Rodriguez recalled that in April 1986 the decision by the insurance company brought air operations to a full stop. He made it clear that only six Air Force airplanes have been insured since April 1986, because of the country's economic situation.

In keeping with all this, the Treasury has cut back 51 percent on the military budget. Furthermore, disbursements from the Treasury of the percentage allocated for those activities have not been consistently forthcoming.

A paralyzation of the FAB air operations would leave remote towns in Bene and Pando Departments, which only have this service with which to travel the country, without transportation.

ECONOMIC TEAM TO REQUEST WORLD BANK INVESTMENTS

PY201919 La Paz PRESENCIA in Spanish 13 Nov 86 p 1

[Excerpts] At a meeting of the Paris Advisory Group organized by the World Bank, Bolivia will present a 5-point program explaining the country's economic problems and its need for $650 million in investments for specific projects to be implemented over the next 3 years.

The meeting is scheduled for 3-4 December. Approximately 20 representatives of governments, multilateral and bilateral organizations, and observers from other international organizations will attend. The Bolivian delegation will comprise two ministers of the economic area and three advisors.

Ministerial commissions and advisory groups are meeting every day at the Planning Ministry to work out the final details of the documents to be presented at the Paris meeting. The projects are related to the productive sectors of mining, agriculture, transportation, energy, and small industry, among others.

These projects were drafted by national technicians and experts with the advice of other experts, mainly from the World Bank.

Fernando Candia, economic planning policy under secretary, has said that the Bolivian program to be presented in Paris will include the following points: 1) The economic situation over the last 5 years; 2) concepts of the new government economic policy; 3) investment plans for public sector projects in 1987; 4) a triennial plan for the eradication of drug trafficking; and 5) projections of the development strategy for the next 10 years.

Candia said: "In this context, the new government economic policy is designed to correct distortions and to initiate decisive measures to stop hyperinflation. The new policy also explores the changes that are needed to face development." [passage omitted]

He added that Bolivia will need $650 million over the next 3 years, broken down as follows: $290 million for 1987; $210 million for 1988; and $150 million for 1989, mainly to cover the balance-of-payments deficits. [passage omitted]

BNH STAFF OCCUPIES BUILDING IN CLOSURE PROTEST

PY251554 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 24 Nov 86

[Text] Employees of the National Housing Bank [BNH] in Rio de Janeiro have been on a state of alert for 72 hours, because they do not accept the idea of the BNH being closed down.

The BNH was created in 1964, and its main objective was to finance the construction and purchase of cheap houses. In these 22 years the bank has financed 3.5 million houses, in addition to basic sanitation projects. Because the installments paid by the borrowers has not kept up with inflation in recent years, the BNH had a deficit of 180 billion cruzados. Today, the BNH was officially closed down through a decree, and its 8,000 employees have lost their jobs.

All the BNH properties, including its 30-story building, have been transferred to the Federal Savings Bank [CEF]. The BNH employees have occupied the building, saying that they will not leave the place until the CEF provides a solution to their unemployment problem. The employees want to see the BNH reorganized and made into a national urban development bank. Some of the 8,000 dismissed BNH employees may be hired by the CEF. The BNH employees have reported that despite the state of alert, deposit-withdrawal services are functioning normally.

BNH Employees' Association President Julio Marques today met with Deputy Ulysses Guimaraes, president of the Brazilian Democratic Mobilization Party (PMDB), to request that the decree closing down the BNH be revoked and that the BNH employees be given guarantees. Guimaraes gave no definite answer, but said that he will study the situation.

Guimaraes will meet Finance Minister Dilson Funaro tomorrow to discuss the closure of the BNH.

PLANALTO SPOKESMAN DENIES FUNARO RESIGNATION

PY251527 Sao Paulo Radio Bandeirantes in Portuguese 1500 GMT 25 Nov 86

[Relay from Brasilia by Carlos Rodrigues]

[Text] Reporter Carlos Rodrigues reports from Planalto Palace that Brasilia is experiencing moments of agitation.

[Rodrigues] Presidential spokesman Fernando Cesar Mesquita is at this time informing the press that rumors that Finance Minister Dilson Funaro is resigning do not have any foundation whatsoever. He asserted that Minister Funaro continues firmly in his government post.

From Brasilia, Carlos Rodrigues reporting.

ABREU SODRE VISITS ZIMBABWE, MEETS WITH MUGABE

For reportage on the 5-day visit by Foreign Minister Roberto Costa de Abreu Sodre to Zimbabwe, see the Southern Africa section of the 24 November Middle East & Africa DAILY REPORT and subsequent issues.

PINOCHET REASSERTS DESIRE TO STRUGGLE FOR COUNTRY

PY260200 Santiago Radio Chilena in Spanish 2200 GMT 25 Nov 86

[by Eliana Henriquez]

[Excerpt] President Augusto Pinochet reasserted his unwavering desire to continue struggling for the ideals that motivate his government.

The chief of state, who today celebrates his 71st birthday, made this statement during a ceremony held at La Moneda Palace where he was congratulated by his cabinet and Chilean admirals and generals. In thanking them for their good wishes, the president said that in his capacity as Chilean citizen and soldier he has always been willing to assume any responsibility to defend the people, and has never strayed from his determination to identify the legitimate aspirations of the nation. [passage omitted]

MERINO SAYS EXECUTIVE DECIDES ON STATE OF SIEGE

PY252341 Santiago Domestic Service in Spanish 2200 GMT 25 Nov 86

[Text] Admiral Jose Toribio Merino has reiterated that it is the duty of the executive branch to decide whether or not to lift the state of siege. Adm Merino made this statement after a Government Junta meeting at the Diego Portales building. Merino said that the lifting of the state of siege is not justified because the situation is not yet completely calm.

Concerning the Catholic Church request to end exile, Merino said: Whenever the church talks about earthly things I tell them to care for the spirit.

INCOMMUNICADO STATUS LIFTED ON 4 DETAINEES

PY251835 Santiago Domestic Service in Spanish 0930 GMT 25 Nov 86

[From poor reception]

[Text] The incommunicado status of four of the five persons who have been charged with attacking the presidential motorcade has been lifted. Victor Diaz Caro, Jorge Arturo Gonzalez, Arnaldo Arenas, and Juan Morena Avila are no longer incommunicado. However, Military Prosecutor Fernando Torres Silva has extended the incommunicado status of Lenin Fidel Peralta.

The military prosecutor has also extended the incommunicado status of those charged with supplying the guns used in the attack against the presidential motorcade. They have been identified as: (Basilio) Carrillo (Novak), Osvaldo Quesada, Lautaro Cesar (Labar) and Marcial Moraga Contreras. The military prosecutor also extended the incommunicado status for Marcela Leiva Gonzalez, who helped (?Carrillo) [words indistinct].

The military prosecutor is carrying out separate investigations on the attack against the presidential motorcade that took place on 7 September in the El Cajon del Maipo region; the clandestine introduction of guns to the country through the coast in the 3d region; the finding of arsenals in the metropolitan region; and the killing by subversives of Carabineros Agent Miguel Angel Tobar, perpetrated last year in La Cisterna. As part of these investigations, the military prosecutor and his secretaries, Ricardo Latorre and Francisco (?Bagguette), went to the former jail building to question three persons whose identities were not disclosed.

6 SUBVERSIVES ARRESTED, INDICTED IN CONCEPCION

PY252347 Santiago Domestic Service in Spanish 2200 GMT 25 Nov 86

[Text] The Concepcion Military Court has indicted six subversive criminals on charges of violating the law of control of arms and explosives. This information has been released by lawyer Jorge Menchaca, an adviser to the Concepcion intendant's office, who said that the six individuals have also been charged with promoting the creation of armed groups that possessed and carried arms.

The individuals, who were arrested by CNI [National Intelligence Centre] personnel last week,are: Jose Eduardo Sanchez Diaz, Jorge Andres (Morgado), Vilma Cecilia Rojas, Juan Carlos Munoz Pando, Julio (Aranguis) Romero, and Juliete (Feliz Lado). A seventh detainee, Rene Villar (Valdebenito), has been released by military judge Pedro (Mariggio).

VALDES REASSERTS SUPPORT FOR NATIONAL ACCORD, AD

PY251550 Santiago Radio Chilena in Spanish 2200 GMT 24 Nov 86

[Interview granted by Christian Democratic Party (PDC) President Gabriel Valdes to Radio Chilena's Front Page program -- no date or place given -- questions are read by announcer -- quotation marks indicate recorded passages containing Gabriel Valdes' answers]

[Text] The creation of the National Democratic Accord [ANDE], which was established by the 13 parties that signed the Basic Guidelines for Democratic Government, has elicited some controversial comments.

What was the spirit that prevailed in the meeting in which ANDE was established?

"The prevailing spirit at the meeting was to promote the strengthening of the National Accord [ANC] and to launch a national campaign to hold free elections."

In comments to the Front Page program, the PDC president also referred to agreements reached during the last meeting of the political parties that signed the Basic Guidelines for a democratic government.

"None of the agreements reached during the meeting were contradictory to those upheld by the ANC. On the contrary, these agreements represent a determination to jointly carry out those objectives that are specifically stipulated in the ANC, especially those aimed at achieving free elections for president of the republic, for a congress having legislative and constituent powers, and for municipal authorities.

"This is an immediate goal that has not only been proposed by the ANC, but also which has been chosen as the main target of the political action program launched by the PDC, the Democratic Alliance [AD], and the political parties that have signed the Basic Guidelines for Democratic Government."

Gabriel Valdes also said: "What we are trying to do is to continue developing the initiative launched by these parties over 12 months ago, which seeks joint action by all Chileans to promote the campaign for free elections, to strengthen the National Accord, and to create conditions that will lead to a political solution to the Chilean crisis."

Regarding the National Accord, which is headed by Sergio Molina, Valdes said: "The PDC reasserts its support for the text and spirit of the National Accord. It also reasserts its full confidence in its leader Sergio Molina. It thus rejects biased rumors that have been issued in this regard.

"The PDC also reasserts that the new consensus that has been achieved among the 13 parties seeks to strengthen the National Accord and prevent its stagnation."

Regarding the AD, of which the PDC is also a member, Gabriel Valdes said: "The PDC continues to give its full support for the AD." [Valdes recording is interrupted by announcer]

That is what Gabriel Valdes said about the ANDE coalition, which was created by the 13 political parties that signed the declaration entitled Basic Guidelines for Democratic Government.

RENE ABELIUK GRANTS INTERVIEW ON ANDE, AD

PY251240 Santiago Radio Chilena in Spanish 1600 GMT 21 Nov 86

[Telephone interview with Chilean Social Democratic Party President Rene Abeliuk on Radio Chilena's "Front Page" program on 21 November -- live or recorded]

[Text] [Reporter] Mr Abeliuk, you can well imagine the current major political issue. Mr Rene Abeliuk, what are the goals of the newly created National Democratic Accord [ANDE]? Don't you believe that the ANDE reduces the effectiveness of the National Accord for the Transition to Full Democracy?

[Abeliuk] I do not think so. I believe that the ANDE, inspired by the principles and tenets of the National Accord for the Transition to Full Democracy, has two basic goals which stem from the National Accord. First, to organize with a broad, unrestricted criterion, a campaign for free elections, which I hope will include all Chileans, who want free elections and, thus, democracy. Second, to continue making progress on the strengthening of the issues included in the National Accord for the Transition to Full Democracy.

[Reporter] Mr Abeliuk, what are the political projections of all this?

[Abeliuk] The objective of all this is to have a group of accords among the parties that will have to act when democracy is restored in Chile. This will facilitate both the government and opposition actions because both will be involved. And this will ensure the stability and permanence of Chilean democracy.

[Reporter] Then the National Accord for the Transition to full Democracy continues in effect?

[Abeliuk] The National Accord for the Transition to Full Democracy continues to be fully effective. The parties signed the National Accord for the Transition to Full Democracy, which included the principles, and constitutional provisions stated in it, the immediate measures it calls for, the commitments it makes for when democracy is restored in this country. The democratic -- the opposition system game -- will be played with democratic loyalty, and all this is fully effective.

What is happening is that, no doubt, the National Accord for the Transition to Full Democracy is a negotiating tool, and for the time being, the Armed Forces do not want to negotiate with the civilians, at least, their commander in chief, General Pinochet does not want to do so. Gen Pinochet has toured the entire country denouncing the holding of talks, not only talks with the opposition but also talks as a political method.

[Reporter] I am asking this because no doubt there has been confusion today concerning the so-called ANDE. I asked you about the National Accord but I must also ask you what is happening with the Democratic Alliance [AD]. Will it remain alive?

[Abeliuk] This has nothing to do with the survival of the AD, because the AD -- which is the main axis and tool of the Chilean democratic opposition -- continues to be in force and the only decision that has been made has been to implement this campaign through a broader organization. I want to stress that this campaign for free elections should be broad, it should include all Chileans.

[Reporter] You have stated that the first objective talks of the ANDE is to launch a national campaign for free elections. What is the purpose of this campaign?

[Abeliuk] In my opinion, free elections is just a phrase that means that when the time comes, we want truly free elections in Chile for president of the republic, and for the National Congress, which should consist entirely of elected members and not of government-appointed ones, and that the candidates elected should fully represent the people and have the broad constitutional, legislative, and supervisory power that a true parliament should have. We also want municipal elections.

[Reporter] In your opinion, Mr Abeliuk, what should be the mechanisms for truly free elections?

[Abeliuk] There is no doubt that a plebiscite with a single candidate and alternative is not a democratic election. It is a method used by the dictatorship to perpetuate itself in power. Therefore, we have always upheld the need to amend the 1980 Constitution in order to replace this mechanism with elections in which everyone has the same chance and is treated equally in such an important matter as the election of the president of the republic and, more importantly, of the National Congress, which should be elected simultaneously. This is one way to begin a democratic system. Moreover, in order for there to be free elections, there cannot be a state of emergency -- not on election day, not now. This is something that must disappear now in Chile. We cannot talk about free elections as long as there is a state of siege, a state of emergency, Transitory Article No 24, and other measures to intimidate the people.

[Reporter] Mr. Abeliuk, it is believed, and some analysts have already said that now that Chile has been granted $250-million Structural Adjustment Loan [SAL] it would be good to lift the state of siege, that the democratization process should be speeded up. We should recall that Minister Cuadra said that if the $250-million SAL were approved, the law on political parties would be implemented on 31 March 1987 at the latest. What do you think about this political recess?

[Abeliuk] The political recess should end, and the parties should be allowed to meet, function, hold rallies, and do everything that political propaganda entails. This should be allowed now, because if it is not, the government will have the advantage, which means that the elections will not be free. All sectors of the opposition should again be allowed full access to all sectors of the media. There should be freedom to publish dailies and magazines.

Opposition media and magazines should not be closed down, as is happening now, with the excuse of the aborted attack on the president of the republic, which we all condemn. So far, nobody has been able to explain what one thing has to do with the other.

[Reporter] Rene Abeliuk, I want to insist on the following subject. How are you, members of the ANDE, going to organize the campaign for free elections throughout the country?

[Abeliuk] Throughout the country we will have to form committees and groups, and obtain the support of individuals, the support of a series of groups that without being part of the ANDE, favor action for free elections.

[Reporter] What would happen, for example, if the Popular Democratic Movement, [MDP] which is not member of the ANDE, were to support this national campaign for free elections that the member parties of the ANDE are organizing?

[Abeliuk] Look, I think we must differentiate things. The campaign is obviously open to all Chileans. The MDP will be able to support this campaign and those who sympathize with or are active members of the MDP will be able to participate in the free elections. But in order to belong to the ANDE and, as a consequence, to be involved in organizing this campaign, one must naturally sign the basic guidelines, because the document is based on the guidelines. The basic guidelines include a declaration on the type of democracy we want. It also requests that all forms of violence be clearly and categorically condemned, and it contains a proposal for a democratic outcome. Those who agree with this will sign the basic guidelines, which are open to all, and will participate in this organization, which will conduct this campaign.

[Reporter] Thank you very much.

REPORTER BANNED FROM SPEAKING ON RADIO

PY252121 Asuncion LA DEMOCRACIA in Spanish 20 Nov 86 p 1

[Text] Cristian Nielsen, a Radio Primero de Marzo reporter, has been banned from broadcasting for 2 weeks. The ever-present effective, arbitrary, unpopular, and anti-constitutional "orders from above" have banned this excellent journalist, Radio Primero de Marzo press director and anchor of the "Marking Guidelines" [Marcando Pautas] program, from speaking.

Through the "orders from above," the unfair Stroessner government intends to silence another voice that is denouncing arbitrariness and permitting the people to voice their opinions. We repudiate with all our truly democratic calling this new violation of freedom of the press. It is a measure that seeks to curtail the citizens' right of expression.

LA DEMOCRACIA was the first newspaper to denounce this violation. It denounced it along with other opposition political groups, other media, and the Paraguayan Journalists Association. Strangely enough, the media for which Nielsen is working, namely Radio Primero de Marzo and the newspaper EL DIARIO, thus far have not said a word.

FIRST 4 MIRAGE 2000'S ARRIVE IN COUNTRY

PY251340 Paris AFP in Spanish 1608 GMT 24 Nov 86

[Text] Lima, 24 Nov (AFP) -- Air Force sources today confirmed that the first 4 Mirage 2000 fighters, of a total of 12 that have been purchased from France by the Peruvian Air Force, have been unloaded at the port of Pisco, 250 km south of Lima.

These modern planes -- Peru is the only Latin American country to have this type of fighter -- were transported under rigorous military security to an Air Force base 20 km from the port. The sources stated that the planes were unloaded from the French merchant ship "Francoise Dillon" yesterday, 23 November, just after the vessel anchored at the port of San Martin in Pisco.

The Mirage 2000's, which were manufactured by Marcel Dassault, were already assembled. They were unloaded by special cranes onto enormous platforms on which they were taken to the Air Force base. Traffic was interrupted between the seaside resort of Paracas and Pisco. The Air Force sources stated that the Peruvian pilots, engineers, and mechanics who will operate the planes have already been trained by Dassault in France.

The purchase of the Mirages was made at the beginning of the year after Peru, because of economic difficulties, negotiated a reduction to 12 of these planes from 26, including 2 trainers, that were to have been purchased.

SENATOR SAYS PRESIDENT MANIPULATING INFORMATION

PY251634 Paris AFP in Spanish 0121 GMT 25 Nov 86

[Text] Montevideo, 24 Nov (AFP) -- Alberto Zumaran, the leader of the opposition National or Blanco (centrist) Party in the Senate, today charged that the Uruguayan president is boycotting all possible solutions to the political crisis the country is experiencing by manipulating the information. Zumaran, a presidential candidate in the 1984 elections, said that we are fed up with the fact that, as soon as talks are underway, mass media are manipulated to boycott any solution to the revision of the human rights violations committed during the military regime.

The local press, especially the progovernment press, last weekend reported that the ruling Colorado (Liberal) Party and the Blancos were on the verge of reaching a 3-stage global agreement, the first stage of which reportedly involved budgetary issues. Zumaran confirmed that there is an understanding on this issue, but sharply denied that this is the first of a number of agreements, among them one on the thorny issue of what should be done about court proceedings against the military men.

The Blanco lawmaker made it clear that the Office of the President has reported to the media that (the budgetary problems) will be solved and that this is the first stage of an undetermined number of stages. This is absolutely untrue, he said. The opposition senator said that he seeks a national agreement in which all the parties participate in order to resolve the military issue, but it will not be a three-stage agreement, he said.

Zumaran stated that we will not reject any solutions but proposals must preclude manipulating the information, as the presidency is doing.

PRESIDENT, TOP LEADERS PLAN 'SUMMIT' ON CRISIS

PY211752 Madrid EFE in Spanish 0223 GMT 21 Nov 86

[By Alberto Pepe Leira]

[Text] Montevideo, 20 Nov EFE) -- Uruguayan President Julio Maria Sanguinetti today met with the military high command, while opposition leaders negotiated with the ministers of state in an attempt to solve the political crisis. Army Commander Lieutenant General Hugo Medina, Navy Commander Vice Admiral Ricardo Larghe, and Air Force Commander Lieutenant General Fernando Arbe held a 1-hour-and-45-minute meeting with the president.

The meeting was preliminary to the political "summit" between President Sanguinetti and Wilson Ferreira Aldunate, General Liber Seregni, and Humberto Ciganda, leaders of the political parties represented in congress. An agreement could reduce the possibility of parliamentary elections being called, which is being promoted by the governing Colorado Party.

Despite the silence surrounding tonight's talks, political sources told EFE that Sanguinetti discussed the violation of human rights during the "de facto" government with the military commanders.

The political negotiation is focused on the trial of military officers charged with "high treason." This is considered one of the most important issues remaining to be settled by the democratic government. The investigations carried out by Congress came to the conclusion that 46 military officers participated in some 35 cases of human rights violation. While the government would rather decree an amnesty, the opposition believes that those guilty should be brought to trial or be given some sort of punishment.

Alberto Saenz de Zumaran, former presidential candidate of the National (Blanco) Party, the main opposition party, admitted that the military men might be in contempt of court if they refuse to appear before the civilian courts. The Blancos agreed to a new round of negotiations with the government when President Sanguinetti assured them that he would "fully abide by the Constitution." The opposition senator said that "this attitude created a new path" for the negotiations, in which military officers, Interior Minister Antonio Marchesano, Saenz de Zumaran, and Wilson Ferreira Aldunate have taken part.

The problems of the Uruguayan democracy, which was inaugurated 21 months ago, began on the day of the election that ended the military regime that had ruled for 12 years, when President Sanguinetti's Colorado Party did not obtain the majority of votes needed to govern without agreements with the opposition. Blanco Party president Wilson Ferreira Aldunate assured the government that it would be able to "govern" in order to stabilize the democratic institutions.

However, differences surfaced immediately on the subject of human rights, and drew the Blancos away from the government and the crisis, with the consequent paralysis of the legislative branch coming shortly afterward. The sources stated that after the double failure of the amnesty bill and the budget bill for the first year of democracy, the government and the opposition reached an "overall agreement" regarding basic issues in order to get the country going.

ARMY COMMANDER DISCUSSES HUMAN RIGHTS ISSUE

PY251600 Paris AFP in Spanish 1603 GMT 24 Nov 86

[Excerpt] Montevideo, 24 Nov (AFP) -- Army Commander in Chief Lieutenant General Hugo Medina has stated that the Uruguayan Armed Forces will not support the forces that committed excesses or crimes during the struggle against subversion. Afterward, Medina stated that the Armed Forces will defend all those who, obeying orders from above, acted in the past decade to repress terrorism. Medina made these comments during a ceremony held by the Army, which was reported today by the progovernment morning daily EL DIA.

His comments coincided with the meetings being held by the political parties to seek an end to the political crisis Uruguay has been experiencing for 2 weeks. The crisis centers on the management of the human rights violations committed during the past military regime. The Armed Forces have repeatedly announced that they would not defend the military men who committed economic wrongdoings, but so far they have not addressed the question of the excesses. The announcement made by the high-ranking military man increased speculation about a new political-military agreement, which will reportedly be aimed at reaching agreement on a negotiated solution and revision of the human rights issue. [passage omitted]

FOREIGN SECRETARY SEPULVEDA ADDRESSES SENATE

FL251614 Mexico City NOTIMEX in Spanish 0122 GMT 25 Nov 86

[Excerpts] Mexico City, 24 Nov (NOTIMEX) -- Mexican Foreign Secretary Bernardo Sepulveda Amor stated today that an independent policy at home and abroad is an unrelinquishable act of sovereignty. He asserted that there are certain minority groups that when faced with difficulties, seek false solutions and are willing to subordinate long-standing principle to fleeting gain.

Speaking to the Mexican Senate, Sepulveda said that national sovereignty is a non-negotiable right because its effective exercise will further national interests and the execution of Mexican plans. [passage omitted] He reiterated the Mexican Government's firm commitment to strengthen sovereignty, preserve independence, foster development, promote legitimate interests, and defend national security. He warned the few who look for bogus solutions that history will be a severe judge of those who have lost faith with the country and its institutions.

Sepulveda stressed that a country cannot be built on opprobium or submission, and said that to think we can save ourselves today at the expense of tomorrow is irresponsible and absurd. [passage omitted]

Sepulveda explained that Mexico's foreign policy makes the most of and has its raison d'etre in two areas at present:

The first area involves the preservation of national sovereignty in an era of growing imbalances and renewed interventionist attacks. The second involves the need to support economic and social development, in the belief that even at moments of crisis, international cooperation offers prospects that must be taken advantage of to benefit the nation.

He explained that proximity requires first-rank ties, and that is why Mexico is paying special attention to its relations with the United States, Guatemala, and Belize.

In regard to the United States, the complexity of relations has grown in the course of this year and therefore the government, with serenity and firmness has had to make clear the terms on which coexistence between the two nations must be built.

We reiterate that dignity and respect must be the cornerstone of these relations which, by their very nature, so significantly affect various aspects of life in the two countries, Sepulveda stated.

He noted that if the goal is a dignified and fair treatment in keeping with the norms of international coexistence, then a mature and constructive approach is imperative. Under these terms, he added, the two governments should agree to remove obstacles to a trusting and permanent dialogue, which must exist so that the established political and diplomatic procedures may lead to the resolution of actual or potential differences.

Sepulveda said that this will help get rid of pressures, unilateral measures, erroneous decisions, and slanderous words; cooperation and understanding will be the hallmarks of these relations. He reiterated that an independent policy at home and abroad is an unrelinquishable act of sovereignty, which can in no way be interpreted as hostile, unfriendly, or irresponsible.

Differences of opinion stemming from different interests, priorities, and above all, social structures, should be seen as expressions of our countries' love of democracy applicable both to domestic and foreign affairs, the foreign secretary declared. He noted that issues of concern to the two governments that require careful handling are the problems of migrant workers, drug trafficking, financial aid, bilateral trade, energy exchange, and border cooperation, among others.

We are especially concerned that the immigration law might affect the human, labor, or social rights of Mexican immigrants, Sepulveda said, and noted that in this connection, Mexico has undertaken to strengthen our consular representation in the United States.

Referring to drug trafficking, he recalled that Mexico has insisted that it must be fought simultaneously at all levels. In Mexico's case, he explained, this involves production and some distribution, and in the United States, financing, distribution, and more importantly, consumption.

He reiterated that as long as there is a huge market in the United States, the governments of those Latin American countries where drugs are produced will not be able to be entirely effective in their fight against trafficking. He said that in any case, Mexico's efforts will continue to be as extensive as our resources allow. He stressed that international cooperation should be based on full respect for sovereignty and complete understanding of the true dimensions and nature of the problem.

Summing up relations with the United States, he said that progress has been made in bilateral cooperation and that there have been many demonstrations of friendship and affection. He mentioned the lifting of the tuna embargo, economic exchanges between neighboring areas, and assistance in the successful conclusion of negotiations to reorganize Mexico's external debt.

Sepulveda also spoke of Mexico's membership in GATT and noted that his government firmly intends to have constructive and dignified dealings with the United States.

Referring to Latin America, he said that Mexico has invested a great deal of political resources in Central America because national interests are involved and must be protected. [passage omitted]

He emphasized that in its foreign policy, Mexico has respect for the principles of international coexistence and warned that Mexico does not want to be the accidental victim of the conflicts of others; neither does it favor fallacious notions such as abstention or neutrality that could be taken as complicity or inaction, adversely affecting the world's legal order and the country's own security.

We cannot leave the defense of national integrity and the stability of an area to which we belong in the hands of outside forces, he warned. He added that the reason that led to the creation of the Contadora Group are not only still valid but also are now

He explained that should the conflict spread, it would go beyond Central American borders, and border stability and Caribbean security would be affected. He said that political and other consequences affecting Mexico would multiply, and this of course does not suit the country's interests. Hence, the need for preventive diplomacy, he stressed. [passage omitted]

He also said that Mexico's foreign policy toward Central America goes beyond the regional conflict, and that is why the Mexican Government has begun to implement a comprehensive program of cooperation with Central American countries.

He highlighted relations with Guatemala and Belize and noted that in the case of the former, ties have improved with the country's democratization and its independent foreign policy, which has contributed to border stability. In Belize's case, he mentioned the recent opening of its embassy in Mexico. [passage omitted]

Referring to world peace and security, he said that these are central to Mexico's foreign policy and recalled that the country has set forth proposals to put an end to the arms race. [passage omitted]

He concluded by saying that the new challenges in the international scene require determination and firmness from society and government to safeguard values and institutions, do battle, and take on the defense of Mexico.

BRIEFS

DRUG TRAFFICKING SETBACK -- Guadalajara, Jalisco, 21 Nov -- General Vinicio Santoyo Feria, commander of the 15th Military Zone, has disclosed that the Mexican Army and the Attorney General's Office have dealt the harshest blows to drug trafficking in Jalisco this month. For example, the authorities destroyed 80 poppy plantations covering 92 square km with 344,000 plants and 360 kg of poppy seeds. In addition, they destroyed 865 marijuana plantations covering 793 square km with 3,240,000 plants. Santoyo Feria also noted that 16 kg of cocaine and 15,000 kg of marijuana were burned at a ceremony held at the "La Mojonera" military camp. [Summary] [Mexico City EL NACIONAL in Spanish 22 Nov 86 p 6 PA]

LEGISLATORS DISCUSS 'REACTIVATION' OF CONDECA

PA251944 Panama City LA PRENSA in Spanish 25 Nov 86 p 1a

[By Lisette Carrasco, Flor Quintero, and Zoila Rodriguez Jovane]

[Text] Legislator Luis Navas of the Democratic Revolutionary Party (PRD) has warned that reactivating Condeca [Central American Defense Council] and our country's active participation in that organization, "would give the nefarious image that the military prevails over Panamanian society."

Navas pointed out that "this favor would turn out to be a serious mistake for Noriega and those who wish to revive a puppet structure that goes against the interests of the Central American peoples, inasmuch as the solution to the conflict lies in dialogue not armed intervention. We Panamanians should reaffirm the principles of nonintervention and self-determination of the peoples in order not to play into the warmongering game of the Reagan administration." He added that the Torrijist military men should remember that our struggle for sovereignty requires the permanent solidarity of the peoples and an international policy that is both prestigious and consistent.

For his part, Christian Democratic Party President Ricardo Arias Calderon said "the president of the Republic has the constitutional responsibility to direct the country's foreign relations, and he should explain to the Panamanian people why Condeca is being reactivated and what commitments this entails for Panama through Condeca" This organization was created when the dictatorial military regimes prevailed in Central America; it was created as the sort of entity where they supported each other, a small 'Swords International,' in our region. There is the threat that this might be reactivated."

Meanwhile, Luis Guillermo Casco Arias, the secretary general of the Nationalist Liberal Republican Movement, said that Condeca "was a military organization that had never worked out," and that "apparently, they are reactivating it now with the purpose of exerting regional pressure over what is happening in Nicaragua. I agree that peaceful means should be used to achieve democracy, but this does not mean that a democratic person or organization should be banned from using other available means when all peaceful means fail."

Dr Carlos Ivan Zuniga of the People's Action Party, said "Condeca is a military organization that was created by Anastasio Somoza, and it is in line with what we might call the infrastructure of the Somozist dictatorship. It supposedly gives belligerent power to the military men who have met in Panama, playing the diplomat roles that correspond to the presidents, as was the case with the Guatemalan military chief." He added that "Condeca is nothing but a subversion of the policies in Central America, with the purpose of taking away the role of diplomacy from the presidents and turning it over to the military men, something that is considered very dangerous for Central American stability from a democratic guarantees' point of view." He reiterated "that he [as published] hopes the Central American conflict will be solved through the will of the peoples and the system of international law that regulates the United Nations and the OAS, which upholds peaceful solutions. I would be a traitor to the Panamanian cause if today I were to advocate the need for intervention in Central America," he concluded.

Cleto Souza, of the People's Party, said the military reorganization of Condeca seeks to create mechanisms for intervening in Nicaragua. He recalled that the crisis within Condeca came up following the military victory of the FSLN on 19 July 1979, defeating the Somozist National Guard.

In conclusion, legislator Mayin Correa of the Labor Party said she was in favor of reactivating Condeca as the only means for coping with the growing Marxist-Leninist intervention in Central America. The legislator said that "we had been warning about this for several years, and now is when the Panamanian military men have seen it, because their counterparts have warned them and have shown them the existing threat." She added: "Time will determine we were right, and -- as time moves on -- we will see what is really happening in the area is nothing but a vast intervention of the Russian-Cuban regime that wants this strategic area in its domination of the world."

COSTA RICA

MADRIGAL REJECTS NICARAGUAN PROTEST OVER UNO

PA260304 Paris AFP in Spanish 0020 GMT 26 Nov 86

[Text] San Jose, 25 Nov (AFP) -- Costa Rica today rejected, in unusually strong terms, the protest lodged on Monday by the Sandinist government over the holding of a meeting of the Nicaraguan Opposition Unity (UNO) in San Jose. In a note addressed to his Nicaraguan counterpart, Miguel D'Escoto, Costa Rican Foreign Minister Rodrigo Madrigal termed the Sandinist protest "bold" and "rash."

"If the Sandinist government has managed to stifle the liberty of the Nicaraguan people to the point of preventing any type of meetings, be they civic or religious, and you are satisfied with that, that is your affair. It does not involve us and we will not interfere. However, you should never attempt to judge our republican institutions or attempt to limit the liberties of the Costa Ricans," Madrigal's note to D'Escoto says.

"Costa Rica," the note added, "is fully identified with the democratic cause. Consequently, anyone expelled from his fatherland by existing dictatorships and who comes here in search of liberty, peace, and justice, will enjoy political freedom."

Finally, the note states: "The Costa Rican Government does not participate in any manner in the 'UNO' assembly and has not given it support or encouragement of any sort...." Therefore, "the rash protest by the Sandinist government sent on Monday to the Foreign Ministry in San Jose is baseless and rash."

In its protest, the Sandinist government claimed that "mercenary organizations" are planning a military offensive in Costa Rica against Nicaragua and are preparing to establish a "provisional government."

Robelo, Cruz Discuss Junta

PA250440 Paris AFP in Spanish 0256 GMT 25 Nov 86

[Text] San Jose, 24 Nov (AFP) -- Alfonso Robelo, Nicaraguan Opposition Unity (UNO) leader, publicly admitted today that the conditions for the establishment of a provisional rebel government in Nicaragua "are not right as yet." Nevertheless, Robelo said the installation of that government within Nicaraguan territory "would be a temporary step toward achieving Nicaragua's liberation."

At a news conference at which Arturo Curz, another UNO leader was present, Robelo said the installation of a provisional government would require a liberated area within Nicaraguan territory, as well as the recognition of influential countries. The two leaders participated here in the fourth UNO Assembly to discuss a unified democratic plan for the Nicaraguan resistance and a basic charter for the Nicaraguan citizens, which would go into effect after the eventual victory of the counterrevolution.

Robelo explained that in accordance with the plan being studied, "any government junta established in Nicaragua, which obviously would be formed by representatives in exile and within Nicaragua, would be in effect for 1 year." Robelo added that his main mission would be to achieve the reconciliation of the Nicaraguan family and call elections for a national constituent assembly that would be sworn in 1 year later. Robelo said the assembly would name a president and a vice president for a period of 1 year, after which elections would be called, "to some extent following the model used in El Salvador."

The UNO assembly, which will be meeting in San Jose until Tuesday, will also discuss a plan to unify the Nicaraguan resistance, which will establish the framework in which the anti-Sandinist opposition will develop. Once these principles are established, the basic charter or constitution to be used during the first year of government should be prepared, and at a later date a government program for the first 12 months of the anti-Sandinist government will be prepared.

Nevertheless, neither Robelo nor Cruz dared to foresee if a contra victory will come soon or after a longer period of time. "We always maintain the hope that victory could be a solution based upon a democratic consensus," Cruz said, adding that "if this is not possible, then the struggle must continue." Cruz added, "The resistance is willing to struggle as long as necessary: we cannot speculate on how much longer that will be, but we are trying to shorten the war to prevent further bloodshed."

Robelo, meanwhile, pointed out that the Nicaraguan opposition has always been willing to hold a dialogue to prevent further suffering of the Nicaraguan people. Robelo stressed that the current UNO assembly above all seeks "the establishment of democratic commitments." He added that because of this, the agreements will be presented to the United Nations and the OAS "so they will be characterized as an unyielding democratic commitment."

Cruz emphasized the UNO's interest in signing a unity agreement with the Southern Opposition Bloc (BOS), led by Alfredo Cesar "to close the circle of anti-Sandinist opposition." This would leave out only "Misurasata [Miskito, Sumu and Rama Sandinist Unity] -- with which we are holding conversations -- and Commander Eden Pastora."

In another vein, Robelo and Cruz referred to the position they would adopt regarding the agrarian reform promoted by the Sandinist government.

Cruz would recommend a revision of the current agrarian reform program, maintaining the aspects of which he approves.

Robelo announced that he "would not eject any peasant" from the land he has been given, even if he received the land under unfair conditions, but he would give him the ownership title and try to compensate the legitimate owner of the lands by giving him lands with similar characteristics.

Finally, both men expressed the hope that the Nicaraguan Army will disband following Costa Rica's model, but they described this hope as an ideal.

FIGUERES TO PROPOSE CBI 'REFORMS' TO U.S.

PA251847 San Jose Radio Reloj in Spanish 1200 GMT 25 Nov 86

[Text] Costa Rica will propose to the United States a series of reforms to the Caribbean Basin Initiative [CBI], Minister of Foreign Commerce Muni Figueres de Jimenez announced. She said that because of existing legislation in the United States and problems in our country's productive structure, this U.S. initiative has had serious setbacks.

The CBI plan was approved by the Ronald Reagan government in 1983 to promote investments and exports from Caribbean basin countries.

The Caribbean conference recently held in Miami sought financial cooperation between the U.S. Government and this region, the foreign commerce minister said. The minister said that contacts were being made with U.S. investors and entrepreneurs for future business in Caribbean basin countries. Muni Figueres [as heard] said Costa Rica is the country with the best conditions to open new markets through the CBI because of quality, craftsmanship, telecommunications, a government of peace and freedom, and other advantages.

The minister of foreign commerce said the compensatory taxes established by the United States for the Costa Rican flower exports were analyzed at this CBI conference. She reiterated that it was necessasry for CBI legislation and the productive structures of the Caribbean countries to be changed. The minister said it is essential that a process of greater investment be generated in Costa Rica through National Stock Exchange [Bolsa Nacional de Valores] capitalization and the sale of shares by banks.

ARIAS URGES 'UNJUST WORLD TRADE' MODIFICATIONS

PA252111 San Jose Radio Reloj in Spanish 1200 GMT 25 Nov 86

[Text] President Oscar Arias Sanchez has said the serious and worldwide socioeconomic problems of our times demand an alliance based on equality and mutual benefit through foreign trade. Yesterday morning, the president dedicated the 10th Congress of Sugarcane Producers of Ibero-America and The Philippines at the National Theater. Arias insisted that unity and solidarity must be sought in the face of abuses and a coordinated action to reduce the gap between rich and poor nations must be supported.

President Arias Sanchez pointed out to the congress participants that development is required and not heartless competition. He emphasized that no industrialized nation should boast of its wealth for its exclusive use, particularly if this wealth is the result of injustice against poor countries. Arias Sanchez insisted that one should not make use of joint benefits and then favor the businesses and the recreation of the rich countries.

The president said that when the economic predominance of the powerful countries and invididuals is established the poor countries and individuals suffer further deprivations leading to discouragement, hatred, and violence. He commented that if one wants peace to prevail, one cannot forget the rules of reciprocity and [words indistinct] and the importance of mutually advantageous international trade. He added that trade should be based on equality and on the principle reciprocal benefit. [30-second break in reception]

During the opening ceremony of the sugarcane producers' congress, President Oscar Arias Sanchez urged the modification of unjust world trade structures. If there is an attempt to break the poor countries, then trade barriers should be raised and low export prices should be established for the poor countries, Arias Sanchez emphasized. However, if there is an attempt to promote values of balance and cooperation, then we should be given the necessary support so we can develop through our own efforts, the president concluded.

EL SALVADOR

REY PRENDES DISCUSSES GOVERNMENT, GUERRILLAS

PA220116 Mexico City UNOMASUNO in Spanish 18 Nov 86 p 18

[By Dolores Albiac]

[Text] San Salvador, 17 Nov -- The unity between the private sector and the government, President Jose Napoleon Duarte's increasing popularity, the decreasing support for the leftwing, and the "absence" of opposition parties in the emergency activities, could be the leading political consequences of last month's Salvadoran earthquake, according to statements Salvadoran Culture and Communications Minister Julio Adolfo Rey Prendes made to UNOMASUNO.

In an exclusive interview, Rey Prendes confirmed that at the last governing party convention certain Christian Democratic minority sectors, who had been in the minority in the previous convention, had reacted in an outstanding manner in the recent crisis. Rey Prendes said the earthquakes did not result in an economic "recession." On the contrary, he said the foreign aid received could bring about a reactivation of the economy. He added that currently the dialogue with the guerrillas is not a priority.

Regarding the changes in support caused or influenced by the earthquake, the minister cited a recent poll carried out by the Gallup International Institute and pointed out that from April 1986 to the present, the government party's popularity has increased by 8 points. Rey Prendes also said the "absence" of other official parties in emergency tasks has influenced the decrease in their popularity, although according to the same poll the ultraconservative Nationalist Republican Alliance (ARENA) has also increased in popularity from 18 to 21 percent, and the National Conciliation Party (PCN) increased from 7 to 8 percent. According to the minister, these increases can be explained by the reduction in support for the other small parties, and the fact that 5 percent more people agreed to answer the poll than last time.

Rey Prendes also pointed out that in comparison to a poll carried out last year by the same institute -- although 4 percent of those interviewed still believe the guerrillas are winning the war -- the percentage of those who feel the rebels are losing the war increased from 36 percent to 46 percent. Fifty-seven percent of those polled last year felt that the rebels' popularity was decreasing; however, that figure rose to 74 percent this year. The percentage of people who thought the rebels' popularity was on the rise increased by only 1 percent. Although the minister insisted that the continuing war and the earthquakes have caused the rebels to lose support, these is no information regarding public sentiment before or after the quakes.

The president's increased popularity -- which Rey Prendes considers the second most important event of his life -- is due to his presence at different places during the disaster and to the prompt decisions made by the government. Added to this is the rapprochement that took place between the private sector and the government when the president decided to invite this sector to control and administer the aid. "This is not going to change the private sector, but it will result in the neutralization of attacks," the minister said. He also said there may be a schism between the business representatives who have been close to President Duarte and those who have not.

Regarding the increasing presence of Christian Democratic leaders such as the Mayor of San Salvador Antonio Morales Erlich; Ovidio Hernandez, president of the Emergency Committee and now of the Reconstruction Committee; and Planning Minister Fidel Chavez Mena -- whose positions were in the minority compared to those expressed by the culture minister at the party convention held 2 months ago -- he [not further identified] said these increases may create an alliance for the approaching elections. Rey Prendes totally dismissed this possibility but pointed out that an alliance with the mayor and planning minister would improve his image.

"The majority of people are not pressing for such a dialogue; what they want is a dialogue in which the guerrillas say they are not going to continue. The majority of people want the guerrillas to show a desire to hold a dialogue so that they can be incorporated, but this is going to be a very difficult step. Besides, the guerrillas are too divided," Rey Prendes said about the possibility of an understanding with the guerrillas to end the armed conflict.

About the rebels losing the people's support, Rey Prendes said this was not the reason why the government was not promoting a new meeting with the rebels.

"The government is not insisting at this moment on a dialogue because there are other priorities and situations," Rey Prendes said. He added that there is no time for things that are not possible. However, he did not dismiss other ways of communicating, besides public meetings in this country, such as "discussing the main issues outside the country," where the presence of the guerrilla leaders could be easier.

Finally, Rey Prendes announced that the government was changing its economic policy which consisted in going from the "stabilization" phase, on which until now economic decisions were based, to the "reactivation" phase, for which private enterprise has been asking for a long time. Far from reports saying that the earthquake had increased unemployment, as the small-and medium-size business sectors believed, Rey Prendes said that foreign investment and the beginning of large housing projects are going to reduce considerably unemployment, which will increase consumption, thus creating a bonanza "spiral."

ROSA CHAVEZ NOTES NEW REBEL PROPSAL ON AVALOS

PA252141 Panama City ACAN in Spanish 1620 GMT 25 Nov 86

[Excerpts] San Salvador, 25 Nov (ACAN-EFE) -- The Salvadoran church has confirmed the existence of a new guerrilla proposal to release a colonel who has been held prisoner for over a year.

Bishop Gregorio Rosa Chavez, one of the mediators in this effort, reported that the rebels have offered to exchange Colonel Jose [as received] Napoleon Avalos for an unknown number of political prisoners. However, the bishop did not disclose the content of the rebels' document and said only that it was "confidential."

"I cannot release it, all I can say is that the negotiations are on the right path," added the San Salvador Auxiliary Bishop. According to Rosa Chavez, the document is scheduled to be delivered to the Armed Forces' high command today. [passage omitted]

Rebel sources told ACAN-EFE that two meetings held recently in Panama City between the church and the guerrilla leaders sought to reactivate the efforts [to solve the situation.]

During the meetings held on Friday, November 14 and again last Wednesday the guerrillas were represented by rebel leaders Ana Guadalupe Martinez and Salvadora Samayoa, and the church by Archbishop Arturo Rivera y Damas. Rosa Chavez did not want to give further details on these meetings because, he said, "to talk too much can hinder the negotiations."

"The guerrillas themselves will release the information through the proper channels when they deem it appropriate," he added. [passage omitted]

GUATEMALA

ARMY REITERATES SUPPORT FOR CEREZO'S NEUTRALITY

PA250441 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 25 Nov 86

[Text] Army spokesman Captain Juan Fernando Cifuentes today reiterated the Army's support for the active neutrality policy practiced by President Vinicio Cerezo's government in view of the Central American conflict. The spokesman said that his statements were distorted when they were published. It was reported that he had said there would be a change in the country's foreign policy in regard to the regional conflict.

The Army reiterated its support for President Vinicio Cerezo, adding that it will respect the policies implemented by the new government. This includes the policy of active neutrality in regard to the Central American conflict, especially in regard to the Sandinist government. The Army spokesman said repeatedly that the Army will not exert pressure on the country's foreign policy, and stressed that it will support any decision adopted by the president of the republic.

Regarding the invitation by the Congress for the Army to come forth and present its position on the policy of active neutrality, Fernando Cifuentes said the Army had received no official invitation from the Congress, but if the invitation is made, the Army will be pleased to go before the Congress and reiterate its support for President Vinicio Cerezo and his decisions on the country's foreign policy.

Defense Minister Jaime Hernandez; Hector Gramajo Morales, chief of the Army's general staff; and the Army spokesman Juan Fernando Cifuentes have been invited to present their positions at the Congress. The meeting between high-ranking Army officers, the Foreign Affairs Commission, the Defense Commission, and party leaders has been scheduled for 1 December at 1600. The Army's postion, in view of the government's neutrality policy within the framework of the serious Central American conflict, will be discussed.

HONDURAS

MINISTER LOPEZ CONTRERAS VIEWS STATE SECURITY

PA251955 San Pedro Sula TIEMPO in Spanish 24 Nov 86 p 22

[Text] Tegucigalpa -- On Saturday, Foreign Minister Carlos Lopez Contreras said intervention by the United States and the USSR has prevented a settlement regarding Contadora. He admitted that Nicaragua is not threatening Honduras with an invasion, but it has been threatening to encourage subversion.

For the first time, Lopez Contreras expressed opinions that had not been openly expressed by the Honduran Government; however, the statement was made in private, during the seminar on "Foreign Policy and Public Opinion, organized by the Foreign Ministry and the journalists. [quotation marks as received]

The foreign minister asked the journalists not to publicize his lecture but no one responded to his request. Shortly before Lopez Contreras' lecture, Dr Carlos Roberto Reina recalled in a similar lecture that denying the right of information to the people is a violation of human rights.

Objectives and Goals [subhead]

The speaker clearly presented in chronological order the objectives and goals of the government's foreign policy. He specifically mentioned that peace is the first short-term objective, with an indefinite duration, and security is the second objective.

The goals are directed toward improving the living conditions of the people and the consolidation of democracy. However, Lopez Contreras said, "we are living in a situation in Central America where there is a struggle by the superpowers to reaffirm their hegemony or to displace that hegemony."

The security of a state "can only be guaranteed by the power it has available." Nevertheless, he affirmed that this does not imply that the Honduran Government "is pursuing an insane arms race; rather, it wants to have a sufficient defense capacity that will allow it to face an aggression and pave the path for international law to prevail."

He said that a second possibility regarding the defensive mechanism is the Inter-American Reciprocal Assistance Treaty (TIAR), although he admitted to reservations about the treaty because it is inoperative.

Contadora is a solution, but the influence of the superpowers has been negative, said Lopez Contreras.

"If a Contadora Act is secured, the U.S. apprehension resulting from armed insurgency, the use of territories, the arms race, and political and military alignments would cease; this would improve the standard of living of Central America from the political point of view; and a situation of liberty and political opening would be guaranteed in countries now enduring armed conflicts."

"Contadora has not been able to produce an agreement because the situation involves sensitive subjects that do not necessarily express the interests of the participant states but that concern interests of big powers from outside the Central American area, a fact that makes negotiations and results difficult."

Nicaragua Does Not Threaten Honduras With Invasion [subhead]

Dr. Lopez Contreras then answered questions from those attending the forum. Some asked pointedly how Honduras could deny the presence of the contras when the whole world has been able to confirm their presence. This is in connection with the international concept of self-determination.

Lopez Contreras admitted that Nicaragua does not threaten Honduras with a direct military invasion but he believes it represents a threat because it could encourage armed rebel movements.

Speaking about self-determination, Lopez Contreras said that "Honduras' limitations and obligations with other states" must be considered.

He added: "Honduras has to think about peace and security. From the security viewpoint, the armed Nicaraguan rebels seek safe places in Honduras, and the Salvadoran armed rebels seek safe places in nondefined border areas and in refugee camps; and this presents development problems in the neighboring country. [sentence as published]

"The neighboring country, Nicaragua, is engaged in an arms race that is not a product of the economic capabilities and the development of Nicaragua alone.

"That is, in the opinion of Honduras, Costa Rica, and everybody else, Nicaragua, by itself, would have nothing in its possession to show off. It is only because of its foreign policy that it has been able to acquire a military capability that represents a threat to the other states. There is no danger that it will unleash an invasion; the threat would come in the form of subversion."

Lopez Contreras said coexistence with Nicaragua "is an ideological problem linked to a security problem because of the military increase in Nicaragua."

Going further into the question about the anti-Sandinist presence in the country, Lopez Contreras said military development in Nicaragua "is very closely associated with the Soviet bloc."

Aid to The Contras Is a Defensive Position [subhead]

According to the official, the Honduran Government views the presence of the contras in Honduras as a defensive instrument.

"Honduras is not afraid of Nicaragua. It is afraid of [Nicaragua's] relationship with the Soviet bloc and of the Soviet bloc's presence in Central America. Honduras is responding to this presence. It is a response that cannot be kept strictly within the context of the protection of our borders," he noted.

"However, guarding the borders of a country that is in conflict and that poses a threat to Honduras is not the best alternative from the standpoint of long-term security," he explained.

Lopez Contreras believes that a Contadora agreement that lacks sufficient guarantees of security and verification that tells "the United States to keep its hands out of Central America would be very dangerous. In such a case, Nicaragua would be free to continue its arms buildup and its links with the Soviet Union."

Mexico Controls Contadora [subhead]

Lopez Contreras stressed: "Mexico is a predominant figure in Contadora because it contributes more funds, human resources, and labor."

"The other countries have maintained a position supporting its efforts and, therefore, (Mexico) is the policymaker in Contadora."

He emphasized that Honduras' position -- which he claims is shared by other nations, including the members of the Contadora and Support Groups -- is that "this is not a matter of averting an (East-West) confrontation, but one of keeping Central America away from a real confrontation."

Lopez Contreras described the Soviet calls to sign the Contadora agreement as a way of "firming up" [reivindicar] the Soviet role in the region, "a role that the Soviets do not allow the United States in their sphere of influence."

Honduras Tries To Control Incidents [subhead]

He added that in the government "we have tried to control the (border) incidents so as not to portray the image that our country is on the verge of war."

"We have insisted," he said, "that Honduras is not involved in a direct conflict with Nicaragua. Nicaragua by itself does not represent any danger for Honduras. The threat lies in Nicaragua's ties with the Soviet Union."

A reporter asked the Honduran foreign minister whether Nicaragua is resorting to the right of legitimate defense regarding the attacks on the border, and if it would not be more advisable for Honduras to expel the contras.

He replied, "I think you are right, that is not incompatible with the objectives. However, things are not always as clear as they seem. I have already touched on the subject of Contadora. Contadora is the response to the division into political alignments, political openings, freedom and cooperation, and to keep states from posing constant threats to other states."

Honduran Newspapers Defend Nicaragua [subhead]

An interesting moment of the foreign minister's news conference came when he asked that the tape recorders be turned off. He said he did not want his quotes to be used by Nicaragua as evidence in its upcoming case against Honduras at the International Court of Justice [ICJ].

"I suggest you turn the recorders off. I do not want to be cited at the ICJ as many people in Honduras already have been. In fact, there are some who are preparing a draft for Nicaragua that appears to contain material extracted from some newspapers," he charged.

NICARAGUA

ORTEGA ACCUSES REAGAN IN IRAN, CONTRA DEAL

PA260035 Managua Domestic Service in Spanish 2310 GMT 25 Nov 86

[Report by Alfonso Amela Sanchez]

[Text] Commander of the Revolution Daniel Ortega Saavedra, the president of the Republic, commented on the attitude of President Reagan regarding the Iran case before meeting with European parliamentarians:

[Begin recording] [Ortega] [Words indistinct] his responsibility. He knew what was going on, thus he is deceiving the U.S. Congress and violating U.S. law. That is what the U.S. President is doing. How can someone who claims not to know that there are illegal negotiations to channel funds for mercenaries' forces waging an illegal war against Nicaragua be the U.S. President? He violated international law and U.S. law. [Words indistinct] this scandalous situation involving President Reagan. He is sacrificing Poindexter and the other individual; he is sacrificing them to save face in this situation.

[Amela] Has there been any reaction by the U.S. Government [words indistinct] Nicaragua?

[Ortega] Well, we have not protested yet, because (?this happened) today. Some of the funds received by Israel from the arms sale were deposited in an account of the mercenary forces. I do not yet know how much. [Words indistinct] $30 million. I do not yet know how much they deposited for the mercenary forces.

What we do know is that at the same time President Reagan is violating international law, he is also violating U.S. law. He is carrying out totally illegal actions, at the local as well as international level.

[Amela] [Question indistinct]

[Ortega] Well, we are doing it tonight. We are formally protesting now for this arbitrary U.S. attitude violating international and U.S. law. [end recording]

President Ortega has been meeting with nine European parliamentarians since this news conference ended.

UNO Denies Knowledge of Deal

PA252300 Buenos Aires REUTER in Spanish 2142 GMT 25 Nov 86

[Text] San Jose, 25 Nov (REUTER) -- The disclosure that millions of dollars from the controversial Iranian-U.S. arms deal had gone into the hands of the Nicaraguan rebels elicited waves of amazement today among those attending an important meeting of the contras that is being held here.

Alfonso Robelo, one of the three rebel leaders, avoided newsmen and left for Miami to meet with two other leaders, Arturo Cruz and Adolfo Calero, who are already there. Queried by newsmen, the civilians participating in a meeting of the rebel organization that groups them -- the Nicaraguan Opposition Unity (UNO) -- were surprised by the news and denied any knowledge of the money and avoided comment. Some, however, seemed to point their finger at the military branch of the contras, the Nicaraguan Democratic Force (FDN), the principal rebel army which has been 10,000 and 15,000 men.

Costa Rica prevented FDN leader Adolfo Calero from attending the meeting, and did likewise with other men of the force considered "belligerent."

Indalecio Rodriguez, member of the FDN Directorate, was present and when approached by newsmen he refused to make any comment on the money presumably sent from Iran.

UNO spokesman Pedro Joaquin Chamorro claimed to have no knowledge of the money or of any contra bank account in Switzerland. Chamorro, accosted by newsmen at an impromptu news conference replied: "We did not know of any before and we do not know of any now." Asked whether he had considered accepting such money, presumably stemming from the firm's deal with Iran, the UNO spokesman stated: "Well, we accepted money for our movement, even from the newsmen. If anyone wants to help us, their help is welcome."

The diplomats who are closely following the Nicaraguan conflict in Central America, said the disclosures by Washington will signify a setback for the efforts of the contras to improve their image. The 2-day meeting held here was aimed primarily at that: emphasizing the political plans of the rebels and downplaying the military aspects.

The image of the rebel leaders living in Miami in luxury and seated around a swimming pool was depicted in the popular U.S. comic strip Doonesbury. The rebel leaders denied any embezzlement of the U.S. aid, but the Reagan government decided to keep a closer watch on the $100 million in aid.

The reports from Washington marred the last of the two sessions of the UNO meeting, whose delegates were discussing a rebel plan for a "democratic and pluralist republic in Nicaragua" and a new declaration of rights. The meeting room in a local hotel was practically vacant while the delegates met outside in small groups to comment on the news.

MANAGUA BRANDS ABRAMS' CONFERENCE 'SHAMELESS'

PA251510 Managua Domestic Service in Spanish 1200 GMT 25 Nov 86

[Text] Nicaragua's food rationing system is controlled by the revolution's defense committees [Sandinist Defense Committees], and rations are refused to anyone who is a regular churchgoer or member of an opposition party. Such were the lies that Elliott Abrams said last night during a shameless televised news conference fed via satellite to the northern European countries.

The U.S. assistant secretary of state for inter-American affairs said the $100 million [given to the contras] will last 1 year, after which time President Reagan will replace them if the revolutionary government and the people who support it have not yet negotiated their freedom with the mercenaries. [sentence as heard]

He uttered more nonsense, which the European reporters interviewing him ridiculed on the spot; namely, his remarks that thousands of contras are posted only several kilometers from Managua, and the possibility of establishing a provisional government, to which effect there will be a meeting in San Jose.

DELEGATION DEPARTS FOR PARLIAMENT MEETING

PA242230 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 24 Nov 86

[Text] This morning a delegation of Nicaraguan legislators headed by Commander Carlos Nunez, National Assembly president, travelled to Curacao, Netherlands Antilles to participate in the meeting of the Legislative Coordination and Statutes Commission of the Latin American Parliament.

The other members of the mission are Mauricio Diaz Davila, vice president of the National Assembly and general secretary of the Popular Social Christian Party; and Danilo Aguirre Solis, a member of the National Assembly Justice Commission.

Reforms to the Latin American Parliament Charter will be discussed at the meeting as will the member-countries' willingness to sign a treaty to institutionalize the organization.

ARCE TO HEAD FSLN DELEGATION TO ARGENTINA

PA260318 Managua BARRICADA in Spanish 25 Nov 86 p 1

[Communique issued 25 November by the Secretariat of the FSLN National Directorate]

[Text] Communique: The Secretariat of the FSLN National Directorate reports that:

Commander of the Revolution Bayardo Arce Castano, deputy coordinator of the FSLN National Directorate's Executive Commission, heads an FSLN delegation that will participate in a forum of Latin American democratic political parties to be held from 27 to 29 November 1986 in Argentina.

The delegation is also made up of companeros:

Gustavo Moreno, member of the Sandinist Assembly and deputy chief of the FSLN International Relations Department [DRI].

Raul Guerra, chief of the DRI Central America section.

Bolivar Diaz, chief of the DRI South America section.

Secretariat of the FSLN National Directorate.

Managua, 25 November 1986

"1986: 25 years later, all weapons against aggression."

OPPOSITION PLI REFUSES TO SIGN NEW CONSTITUTION

PA250423 Panama City ACAN in Spanish 0215 GMT 25 Nov 86

[Text] Managua, 24 Nov -- (ACAN-EFE) -- The opposition Independent Liberal Party [PLI] announced today that its representative to the National Assembly will not sign the new representative to the National Assembly will not sign the new Nicaraguan constitution approved on 19 November. In an official statement, the PLI argued that the fundamental law "basically reflects the interests of a single party, the Sandinist Front," which is in power. The PLI added that the new constitution "is not the product of consensus" and that "it will be born interdicted" by the state of emergency and its contribution to the search for peace "will be irrelevant." Also, it noted that the Sandinist Front "systematically" refused to listen to the demands of the PLI and the opposition in general.

The PLI had threatened not to participate in the constitutional debate, but on orders of its delegates to the assembly, it decided to take part in the debates on 22 September. According to the PLI, the participation of this parliamentary party in the constitutional debate, but on orders of its delegates to the assembly, it decided to take part in the debates on 22 September. According to the PLI, the participation of this parliamentary party in the constitutional debate did not achieve the objective of holding a national dialogue "in view of the closed, intransigent, and antiunitary attitude of the Sandinist Front." After such considerations, its delegates to the assembly ordered the nine PLI deputies not to sign the constitutional text consisting of 202 articles. It is established that any representative or alternate of the PLI who violates this order "will be penalized according to the party statutes."

The PLI is the second opposition force in the Nicarguan parliament. Its president, Virgilio Godoy, attended the constitutional debate, but adopted a silent attitude, refraining from participation in the discussions. Among the principles the PLI wanted incorporated into the constitution was that there be no presidential reelection, but that principle was defended by a Sandinist majority.

ORTEGA CONGRATULATES HUNGARIAN WORKERS PARTY

PA241430 Managua Domestic Service in Spanish 1200 GMT 24 Nov 86

[Message from Nicaraguan President Daniel Ortega to Janos Kadar, general secretary of the Hungarian Socialist Workers Party]

[Text] On behalf of the FSLN National Directorate, allow me to convey to you and the members of the Hungarian Socialist Workers Party [MSZMP] our fraternal and revolutionary greeting on the occasion of the anniversary of founding of the MSZMP.

The National Directorate and members of the FSLN value highly the relations between the two parties, which contribute to the strengthening of relations between the two peoples.

We likewise reiterate our best wishes for the achievement of new and greater successes in the consecution of the goals set forth during the party's 13th congress.

Fraternally,

Daniel Ortega Saavedra.

U.S. AID PROMOTES 'REPRESSIVE' GROUPS IN REGION

PA251415 Havana International Service in Spanish 2300 GMT 24 Nov 86

["Our America" commentary read by Manolo Ortega]

[Text] [Words indistinct] we receive news on the criminal actions of repressive groups in various Central American countries that identify with U.S. policy. In El Salvador, paramilitary groups and security agents are responsible for a great number of murders; their counterparts in Guatemala -- who are constantly being denounced by human rights organizations, such as the Mutual Support Group -- are no less active.

In Honduras, the police are also responsible for political murders. In Costa Rica, an intensification in this kind of activity, promoted by Washington, reveals the absolute betrayal of local authorities, who are breaking a tradition of having no military or other uniformed groups in national life.

In December 1985, Washington again financed the training of police agents of governments serving U.S. interests. The Senate approved $22 million of the $54 million Ronald Reagan originally requested for this purpose. The decision to cut the original Washington request resulted from differing viewpoints within the legislature regarding the involvement of the police in atrocious human rights violations in those countries.

In order to grant the $22 million, the legislature has to amend Section 660 of the U.S. Foreign Trade Law, which had prohibited the United States from giving advice, training, equipment, and financial aid to foreign policy groups. To obtain that financial aid, the Reagan government put its propaganda apparatus into action. Through public appearances and press articles, White House ideologists coined the term terrorism to describe the form of struggle adopted by the people in countries such as Nicaragua, El Salvador, Guatemala, and Honduras to achieve national independence. Therefore, support for the repressors appeared to the public as opposition to terrorism, communist violence, and the alleged Soviet-[word indistinct] meddling in the area.

A shameful aspect of the aid granted to friendly police corps is the targeting of $1 million to buy out and offer protection to informers due to the possibility that the people might kill them. Most of the financial aid to Central American repressive corps goes to El Salvador, Honduras, and Guatemala, whose police receive equipment, materiel, and training. Costa Rica received $9 million for the same purpose, although there is a paragraph in that country's Constitution that prohibits the existence and cooperation of a professional army.

Covering itself with the excuse of fighting terrorism, Washington has once again publicly become the great godfather of any repressor that carries out murders and torture in Central America.

U.S. INTEREST REACTIVATING CONDECA QUESTIONED

PA251427 Havana International Service in Spanish 2300 GMT 24 Nov 86

["Commentary" read by Maruja Garcia]

[Text] For several years, the United States has shown a special interest in reactivating Condeca [Central American Defense Council], created in 1963 at the request of former dictator Anastasio Somoza with the objective, according to what was said at the time, to defend any of the area's countries from a military attack from outside the isthmus.

Many will ask themselves why the United States is interested in reactivating a military organization, which, according to the original intentions of its creation, was facing a foreign attack. The apparent contradiction becomes clear if one refers to the U.S. Government manipulation of TIAR [Inter-American Assistance Treaty] during the 1982 Malvinas war.

One would have to ask: What will Condeca defend -- pressured and manipulated by the United States -- when it is the United States that is threatening to invade Nicaragua, and with the same objective, exerts unlimited pressure on the other isthmian countries?

Although Condeca, in practice, dissolved after the 1969 clashes between El Salvador and Honduras, the United States insists in making this organization function once again, with the clear intention of maintaining an entity that favors its provocative objectives during these moments when U.S. vessels are a few kilometers from the Nicaraguan coasts.

However, speaking about reactivating Condeca, General Manuel Antonio Noriega, commander in chief of Panama's Defense Forces, said that Condeca had lost its historic effectiveness, and that at these moments it should only give military advice, because the road to peace in Central America should be through dialogue and coexistence between the countries.

CHILEAN PCCH ON REPRESSION OF DEMOCRATIC FORCES

PA202101 Havana International Service in Spanish 1600 GMT 25 Nov 86

[Text] The Chilean Communist Party [PCCh] political commission said in a statement released in Santiago that the continuous repression against Chilean democratic forces by Augusto Pinochet's regime attempts to make his illegal seizure of power lifelong.

The text adds that following U.S. imperialist instructions, Pinochet insists on striking hard against the PCCh, using crime, state terrorism, National Information Center publications, the Chilean gestapo, and paramilitary fascist groups. All these harassments, the text adds, conflict with the desire of the Chilean general public, which clamors for democracy and liberty.

ARGENTINA DISCUSSES TECHNOLOGICAL TRADE, TIES

FL252233 Havana Radio Reloj Network in Spanish 2138 GMT 25 Nov 86

[Text] Argentine Public Health and Social Action Minister Conrado Storani and Cuban Foreign Trade Minister Ricardo Cabrisas met today in Buenos Aires to discuss the possibilities of implementing technological cooperation through joint [word indistinct] of medications and export to third countries.

Cabrisas reported that he is holding talks with several top officials so that bilateral trade between Cuba and Argentina is established. Our foreign trade minister added that he is examining the subject from a general point of view within a Latin American framework [as heard]. Some initiatives have already been developed with Brazil and Argentina.

Cabrisas discussed with the Argentine public health and social action minister the possible manufacturing of medical and hospital instruments and added that there is a possibility Cuba can supply them.

USSR DELEGATION TOURS GUANABACOA COMPUTER PLANT

FL260211 Havana Television Service in Spanish 0100 GMT 26 Nov 86

[Text] At the invitation of Cuba's National Institute of Automated Systems and Computer Technology, a Soviet delegation headed by Vladislav Kolesnikov, minister of the USSR electronic industry, is visiting our country.

Today the delegation visited Cotorro's printed circuit factory and a site where an installation for the electronic industry is under construction in the Guanabacoa Municipality. The Soviet minister, who is also member of the CPSU Central Committee, is visiting Cuba for the first time. He will tour the Central Institute of Data Processing and Pinar del Rio's electronic components factory.

HUNGARIAN SCIENCE COOPERATION MEETING BEGINS

FL251837 Havana Radio Periodico del Aire in Spanish 1700 GMT 25 Nov 86

[Text] Cooperation in the field of geology -- which is the area of greatest assistance provided by Hungary -- as well as the analysis of the progress made in the science and technology accelerated development plan, will be the main topics of discussion of the 19th Cuban-Hungarian Scientific and Technical Subcommission meeting beginning at Havana's Sierra Maestra Hotel today and ending Friday [28 November].

Manuel Garcia, development deputy minister from the Ministry of Communications and chairman of the Cuban delegation, reported that results of the work conducted since the last meeting held in Budapest will be analyzed on the occasion of the 20th anniversary of the initiation of cooperation between the two countries.

Domestic Trade Agreement

FL250043 Havana Radio Rebelde Network in Spanish 0000 GMT 25 Nov 86

[Text] Cuba and Hungary will exchange goods worth 7 million rubles in 1987 as a result of productive talks held between Hungarian Domestic Trade Minister Zoltan Juhar and Cuban Domestic Trade Minister Manuel Vila Sosa.

Cuba will send to Hungary working clothes, fresh vegetables, crafts, fruits, and canned juices, while our country will receive furniture, crafts, textiles, and household goods.

Hungarian Domestic Trade Minister Zoltan Juhar told El Rapido Newscast what had been discussed during the talks:

[Begin Juhar recording in Hungarian with consecutive translation] What I can say is that we have created a very good agreement for 1987. If we can fulfill it, I can tell you that trade will double or triple. [end recording]

POLISH DELEGATION MEETS WITH CUBAN OFFICIALS

FL260225 Havana Television Service in Spanish 0100 GMT 26 Nov 86

[Text] Prior to its departure for home, a delegation of the Polish-Cuban Friendship Association, which visited our country, held a fraternal meeting with leaders of Cuba's counterpart association. Division General Senen Casas Regueiro, first deputy FAR minister and president of the Cuban-Polish Friendship Association, and (Botan Skiva), deputy chairman of the Polish counterpart association, discussed relations between the two peoples and assessed the work that has been completed to date.

CASTRO OPENS INTERNATIONAL MEDICAL CONGRESS

FL260231 Havana Television Service in Spanish 0100 GMT 26 Nov 86

[Text] Commander in Chief Fidel Castro, first secretary of the Party's Central Committee and president of the Councils of State and Ministers, has opened a few minutes ago Havana's Surgery 86, which includes the third National Congress on General Surgery and the second National Congress on Pediatrics Surgery.

Participating in this event are 900 delegates from Cuba and 17 countries in Latin America, Asia, and Europe. Surgery 86 will hold sessions until 29 November.

VIEGA PRESIDES OVER SECOND ANIR CONGRESS

FL251853 Havana Radio Periodico del Aire in Spanish 1700 GMT 25 Nov 86

[Excerpt] The second Congress of the National Association of Innovators and Efficiency Experts [ANIR] opened this morning. It was presided over by Roberto Viega, party Politburo member and secretary general of the Central Organization of Cuban Trade Unions [CTC].

The congress will continue until tomorrow at the CTC Lazaro Pena Theater. The opening remarks were made by Comrade Roberto Fabregas Rodriguez, deputy chairman of the national commission which organized the congress. [passage omitted]

CEMA CIVIL AVIATION MEETING HOSTED BY HAVANA

FL182215 Havana Radio Reloj Network in Spanish 1922 GMT 18 Nov 86

[Text] The development of Cuban civil aviation, which is the result of cooperation with socialist countries, was underscored at the 23d meeting of the CEMA Permanent Commission on Civil Aviation.

The meeting stressed the importance of that area, which is essential to the fullness and expansion of the international division of socialist labor. The meeting is being held in Havana's Palace of Conventions and is attended by delegations from Bulgaria, Hungary, GDR, Poland, Romania, and the CSSR. Among the topics that will be discussed is the analysis of the integral program draft for the scientific-technical progress of CEMA-member countries.

MATANZAS PREPARES FOR BASTION-86 EXERCISES

FL200410 Havana Television Service in Spanish 0100 GMT 20 Nov 86

[Text] Approximately 460,000 Matanzas residents will participate in the military's strategic exercise Bastion-86, which will be held throughout the entire nation from 7-11 December.

In Matanzas Province, the war-time mechanisms will be activated in one municipality while the rest will function as a defense zone as well as advisor at that level. More than 50 economic centers will participate. Ten of these will function the entire time (funcionaran a tiempo completo).

In Matanzas, several previous activities have been carried out successfully in preparation for Bastion-86, which includes training for establishing command in the municipalities and the province.

PQD EXPELS INTERIOR SECRETARY FOR IMPROPRIETIES

FL251912 Santo Domingo LISTIN DIARIO in Spanish 13 Nov 86 pp 1, 13

[By Mirtilo Feliz Pena]

[Excerpt] The Executive Central Committee of the Quisqueyan Democratic Party [PQD] yesterday resolved to expel Dr Juan Demostenes Cotes Morales, PQD vice president and current secretary of state of interior and police, for alleged political improprieties in carrying cut his official functions.

In an extensive resolution, the PQD lists the reasons motivating the expulsion of Cotes Morales. Among other reasons, the resolution indicates that Cotes Morales, since he assumed his official functions, "has never consulted with the deliberating organs of the PQD, an attitude which is inconsistent with the party discipline required". [passage omitted]

JUDGE' MAGISTRATES DISMISSED FOR DRUG TRAFFICKING ROLE

FL251855 Santo Domingo LISTIN DIARIO in Spanish 12 Nov 86 pp 1, 12

[Excerpt] Yesterday, the Supreme Court dismissed another judge accused of negotiating sentences in favor of sectors linked to drug trafficking and of holding irregular procedures in divorce cases.

The tribunal removed Dr Alejandrina de la Rosa from her post. She was implicated by the college of lawyers. Also dismissed were magistrates Socrates Mora Dotel, Franklin Ruiz Cueto, Wilfredo Barinas Robles, Maximo Oviedo Beltre, and Cesar Julio Gonzalez [for involvement] in a drug case valued at more than 80 million pesos.

With the dismissal of De la Rosa, there are now two magistrates who have been sanctioned for committing irregular acts. The other was Dr Robles Perez, judge in the Puerto Plata Land Tribunal. [passage omitted]

ANTIGUA AND BARBUDA

FORMER MINISTER URGES OPPOSITION TO UNITE

FL251643 Bridgetown CANA in English 1548 GMT 25 Nov 86

[Excerpt] St. Johns, Antigua, Nov 25, CANA -- A former Antigua and Barbuda government minister who is facing fraud charges has started working to pull fragmented opposition political parties together in preparation for general elections.

Donald Halstead, home affairs minister under the Progressive Labour Movement (PLM) government between 1971 and 1976, said today he had begun discussions with other opposition political organisations here to promote a united front of opposition parties.

The government, if it is broad and magnanimous, will recognise that a democratic society such as Antigua, ought to have an opposition to play a proper role in the political affairs of Antigua, Halstead declared. [passage omitted]

HAITI

NAMPHY TO MEET CANADIAN FOREIGN MINISTER

FL251442 Bonaire Trans World Radio in English 1130 GMT 25 Nov 86

[Text] Canadian Minister of External Relations Monique Landry will meet with Haitian President Lieutenant General Henri Namphy today. They will discuss additional economic assistance during a 4-day visit. Canada, along with the United States, West Germany, and France, is one of Haiti's aid donors.

JAMAICA

$50 MILLION WORLD BANK LOAN FOR PUBLIC UTILITIES

FL251914 Kingston THE DAILY GLEANER in English 13 Nov 86 p 1

[Text] Jamaica will receive a loan of over U.S. $50 million (J$275m) from the World Bank early next year, key government sources said yesterday. The loan will go towards balance of payments support and the financing of development projects in some 20 public enterprises.

Approval follows weeks of negotiations between the government and the World Bank. During those weeks both parties worked out performance targets to be adhered to by the public enterprises, which have formed the basis for conditionalities laid down for the loan.

THE GLEANER understands that an advance team from the bank which should have come to Jamaica in October had been stalled as a result of the government's U.S. $70 million arrears with the International Monetary Fund. However, later in the month a representative of the bank came to have talks with the public enterprises, especially the utilities, signalling that the government had arrived at some agreement on the arrears, according to government sources.

The bank's representative and the government were able to agree on conditionalities for the loan. Each entity which will benefit from the loan have a performance target to which it must stick.

Apart from balance of payments support, the U.S. $50 million loan will also be disbursed in other areas to fuel economic recovery.

In September THE GLEANER reported that the World Bank had sent a memorandum to the government outlining further measures to be undertaken for the profitable operations of five transport utilities: Port Authority of Jamaica, the Jamaica Railway Corporation, the Airports Authority, Air Jamaica and Jamaica Merchant Marine.

The report said that time-tables and performance projections had been tied to the measures which the government had started examining.

VIOLA BURNHAM'S MOSCOW VISIT ON SPOUSE'S BURIAL

FL251524 Bridgetown CANA in English 1438 GMT 25 Nov 86

[Text] Georgetown, Guyana, Nov 25 CANA -- Guyana Vice President Viola Burnham has had talks in Moscow with Vice President of the Soviet Parliament Valentina Shevchenko [deputy chairman of the Presidium of the Supreme Soviet], government officials here said.

The nature of the discussions was not revealed, but some officials speculate that Mrs Burnham's current visit is in connection with the body of her husband, former Guyana President Forbes Burnham.

The body was flown to Moscow last year to be embalmed and returned to Guyana for permanent viewing in a masoleum. President Desmond Hoyte, however, announced two months ago that the body will now be entombed.

The cost of the planned masoleum was 3.5 million Guyana dollars and maintenance costs would have been very prohibitive, a government spokesman said. The spokesman said the body will be on view for about two days, at a place in Georgetown to be determined before there is a religious service and entombment. The body is due here by mid-December.

HOYTE SAYS RELATIONS WITH SURINAME WILL IMPROVE

FL252038 Bridgetown CANA in English 2019 GMT 25 Nov 86

[Text] Georgetown, Guyana, Nov 25, CANA -- Guyana's President Desmond Hoyte today said he had every reason to believe relations between the country and its Dutch-speaking neighbour, Suriname, would improve.

He made the assertion in a congratulatory message to Suriname's leader, Lieutenant Colonel Desi Bouterse, on the country's 11th anniversary of independence from Holland. The relations between our two countries have been considerably strengthened in recent times and there is every reason to believe that they will be enhanced in the future, Hoyte said.

Suriname's Foreign Minister Henk Herrenberg visited Guyana last week for three days and had discussions with Guyana Foreign Minister Rashleigh Jackson. He also paid courtesy calls on President Hoyte and Caribbean Community (Caricom) Secretary General Roderick Rainford.

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MINISTRY DECLINES COMMENT ON SALES TO IRAN

PY270257 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2330 GMT 26 Nov 86

[Text] Buenos Aires, 26 Nov (NA) -- The Defense Ministry today declined to comment on information received from London to the effect that Argentina and Brazil are supplying arms to Iran. The ministry only said that "the appropriate agencies will be duly consulted."

The U.S. news agency UNITED PRESS INTERNATIONAL (UPI) reported today that Argentina, Brazil and other Latin American countries are part of a "wide network" that supplies arms to Iran.

The report was published in the United States by the magazine DEFENSE WEEKLY. It stated that Tehran had purchased a large arsenal from DPRK, China [not further identified], Brazil, Syria, Argentina, Libya, Belgium, and Austria.

High-ranking officers in our country were questioned today about the report, but they also declined to make comments, while the Defense Ministry neither confirmed nor denied the report, stating only that it had "nothing to say."

The issue of arms sales to Iran took on a new meaning recently after one U.S. press report revealed a shipment of U.S. arms to Iran through Israel.

The dissemination of this report, later admitted and confirmed by the highest U.S. Government offices, prompted the resignation of Vice Admiral John Poindexter, President Ronald Reagan's national security advisor, and the dismissal of one of Poindexter's key assistants, Oliver North.

GASS FAVORS UN SUPERVISION OF FALKLANDS

PY252042 Buenos Aires TELAM in Spanish 1826 GMT 25 Nov 86

[Excerpt] La Plata, 25 Nov (TELAM) -- Senator Adolfo Gass (Radical Civic Union for Buenos Aires), referring to the conflict with Great Britain over the Malvinas Islands, stated that the Argentine Government will continue to remain calm and not respond to the United Kingdom's provocations. Gass added that President Raul Alfonsin and the Foreign Ministry are seeking new paths to try to reach a solution.

In a statement to Radio Universidad of La Plata, the legislator recalled that President Alfonsin, in his broadcast over the BBC television network, said that Argentina would accept the placement of the islanders under the supervision of the United Nations for a trial period. This is a project which was proposed during 1982 but rejected by General Galtieri.

Gass added that the purpose of this proposal would be to reach an agreement to seek an outcome to the old conflict, and that hopefully the president's idea will materialize and be taken up by the UN authorities. [passage omitted]

ESTIMATED 10,000 DEMONSTRATORS DENOUNCE SARNEY

PY280058 Paris AFP in Spanish 2250 GMT 27 Nov 86

[By Alberto Carbone]

[Text] Brasilia, 27 Nov (AFP) -- Brazilian Army armored cars with 90-mm cannons today surrounded the cathedral in Brasilia, where President Jose Sarney attended mass at the end of a day that turned hectic because of protests against recent economic measures.

Six Cascavel armored cars with heavy artillery equipment and four Urutu armored personnel carriers were parked in front of the cathedral. Several armored personnel carriers were parked behind the cathedral. They had brought members of the military police (PE), an elite unit of the Brazilian Army, who surrounded the area.

At 1800 (2000 GMT) President Sarney went to the cathedral to attend a Thanksgiving mass. Demonstrators, who were being kept on the other side of the avenue by the PE, made obscene gestures and shouted: Sons of bitches! A demonstrator commented: This is the end of the New Republic. We have gone back to the Old Republic. The Old Republic refers to the 21-year period of military rule (1964-1985).

Four hours before the president arrived at the cathedral, some 10,000 people had gathered in the area where the ministries are located in Brasilia. The demonstrators marched peacefully up to Planalto Palace (the president's residence), where they were stopped and pushed back by members of the police antiriot squad with dogs and tear-gas bombs. The crowd began to withdraw, and some of them gathered in front of the Chamber of Deputies, where some speakers addressed them amid shouts that the united people will never be defeated.

The police strategy to gradually push the demonstrators back to the end of the Avenue of Ministries undoubtedly reflected the need to clear the area so the president could pass. Violent clashes between the demonstrators and police occurred in front of the Finance Ministry. At about 1800, the police managed to clear much of Avenue of Ministries. Many of the demonstrators withdrew to the bus station, which they had left 4 hours earlier. Other groups gathered around the cathedral but they were not able to get near it because of the PE.

The protest march, the first staged in Brasilia against the government since it took power in early 1985, was organized by labor unions and political parties of the Brazilian left. Among the organizers were the Sole Central Organization of Workers (CUT), the General Confederation of Labor [Confederacion General de Trabajo -- CGT], the Democratic Labor Party (PDT, headed by Leonel Brizola), the Workers Party (PT), and the Brazilian Communist Party (PCB).

On Friday 21 November -- less than a week after its overwhelming victory in the 15 November elections -- Sarney's government launched a package of measures modifying the Cruzado Plan. These measures increased the prices of gasoline, automobiles, cigarettes, beverages, utility rates, rents, and milk.

The protest march had been prohibited by the Public Security Secretariat of the Federal District (Brasilia). Some people were injured of bruised in today's clashes but figures had not been released by this evening. A Brazilian Air Force helicopter overflew Avenue of the Ministries.

FUNARO OFFERS RESIGNATION, SARNEY REJECTS IT

PA270450 Paris AFP in Spanish 0429 GMT 27 Nov 86

[Text] Rio de Janeiro, 27 Nov (AFP) -- The wave of criticism agains the modifications to the economic stabilization plan announced on Friday by the Brazilian Government prompted the resignation tonight of Finance Minister Dilson Funaro, which was rejected by President Jose Sarney.

In statements to reporters, Funaro confirmed tonight that he had tendered his resignation to Sarney, who turned it down and told him that he would only accept his resignation at the end of his presidential term.

Funaro said that the criticism voiced by diverse sectors of Brazilian society -- expecially the middle class, which was the one most affected -- of the measures announced on Friday to correct the course of the Cruzado Plan, caused him to tender his resignation to Sarney.

Funaro added that the adoption of these measures -- to halt the growth of consumer demand and reduce spending in the public sector -- "were necessary."

In conclusion, he reiterated his confidence that the renegotiation of the Brazilian foreign debt of $105.12 million will be achieved this year.

FUNARO EXPLAINS, COMMENTS ON ECONOMIC REFORMS

PY241834 Rio de Janeiro Rede Globo Television in Portuguese 0205 GMT 22 Nov 86

[Interview with Finance Minister Dilson Funaro by economists Paulo Henrique Amorim and Joelmir Beting; time and place not given -- recorded]

[Text] [Amorim] Mr Minister, what do you think of Professor John Galbraith's remarks [during interview granted to REDE GLOBO]? Do you believe he should have made a more positive evaluation?

[Funaro] I have the impression that the economic measures (?have succeeded). Actually, Professor Galbraith is a man who... [Funaro changes pattern] I have already talked with him a couple of times. He maintained a price freeze system for 4 years. This is feasible. He described a flexible system which he implemented in the past, along with some flexible measures which were also applied at the right time.

[Beting] As Professor Galbraith put it, flexible measures consist of regular price readjustments, right?

[Funaro] The idea is to manage the price growth. (?Galbraith) wrote an interesting book on this matter. For 4 years he managed price readjustments. This is very similar to what we intend to do here in Brazil.

[Amorim] Mr Minister, don't you think a large number of PMDB [Brazilian Democratic Mobilization Party] voters now feel disappointed with the government, because partial price increases have been enforced barely 1 week after the elections?

[Funaro] We intended to implement the second phase of the Cruzado Plan in February 1987; however some factors forced us to begin earlier. Those factors include the October surplus and a steadily growing demand, which has affected Brazilian consumers. We are undergoing an inflationary process caused by increased demand. Some sectors are out of control. (?Under-the-counter fees) have increased and Brazilian productive capacity has reached a point beyond which it cannot continue to grow, as in the production of raw materials, iron and steel, and electric power for 1987.

In 1985 our economy grew 8 percent. This year our economic growth will be 10 or 11 percent. This means 20 percent in 2 years, which accounts for the world's highest growth rate. But in 1987 our economy will not grow as fast, because raw materials will be in short supply.

Consequently the government must now adopt some measures to curb our growth rate.

[Beting] This structural maladjustment of the cruzado is a kind of price that is to be paid for the success of the plan. That is, the increased demand was not coupled with increased production levels. The new economic measures will now seek to reduce consumption. I do not believe, however, that such measures will promote production.

[Funaro] I believe they promote several sectors, like the savings system. We created several mechanisms to encourage and promote savings. We also created an important mechanism for exporters, which grants fiscal benefits to them.

[Amorim] Could you describe these benefits?

[Funaro] There are two income tax benefits. If a company that pays 10 percent in additional income tax can manage to export a specific amount, the additional income tax will automatically drop to 7, 4, or 0 percent.

[Amorim] What are the benefits for the owners of either of the two savings accounts that you described today, the retirement account and the reserve account [caderneta para peculio]?

[Funaro] This is an interesting system that is widely used in Canada, Europe, and in the United States. You can deposit up to 100,000 cruzados annually in those accounts. This is tax-exempt -- that is, it is considered an expenditure on medical care. This amount is automatically deducted from your taxable income. If you withdraw your deposit, then it will be considered as part of your taxable income.

[Amorim] Can I open two such accounts in any bank in Brazil?

[Funaro] In any Brazilian bank. In some companies there are groups of people who organize their own savings fund.

[Amorim] Can banks invest that money on the stock market?

[Funaro] They can invest 33 percent on the stock market and the rest in certificates. This means we are also promoting the stock market, which in turn favors the democratization of capital. This is very important for promoting investment.

Concerning investments, it is necessary to take it easy because the market has already brought up all our industrial equipment production and, except for the basic industries, under-the-counter fees are being added to the listed price of equipment. We have pushed our economic growth so strongly that now we have to curb it a bit. This is what we are doing.

I believe it is very important to remind the people of what happened in the area of utilities in the past. It is important to have an operational telephone. There was one time when one had to wait 5 minutes for the dial tone to make a phone call. We cannot permit this to happen again.

In the electric power sector, although it will be insufficient, next year we will invest to increase production by 3 million kw, particularly in the 4 Itaipu generators that will be installed in 1987, and a couple of generators in other plants. This will allow for a growth of, at most, 5 or 6 percent. This will be insufficient, because if the Brazilian economy grows 10 percent in 1987, there will be an electric power shortage.

[Beting] Our economy is expected to grow 11 to 12 percent this year, right?

[Funaro] Between 10 and 11, or perhaps 12, according to the latest figures released by the IBGE [Brazilian institute of Geography and Statistics].

[Beting] The measures announced on 21 November reveal in a more or less clear manner a first attempt by the government to intervene in the public sector, doing away with some companies which, as Professor Galbraith put it, are going around without knowing what to do. Mr Minister, do you agree with this?

[Funaro] Right. We must have a modern and efficient state organization. This is the policy which the government has adopted. This is precisely what we have been doing.

[Amorim] How many state-owned companies will you close?

[Funaro] Look, there are several companies, countless councils, and several company branches that will be closed. For example, 200 branches of the Federal Savings Fund, which was (?mentioned) today, will be closed over the next 60 days, while 600 others will be closed over the next 3 months.

[Beting] Does the closure of companies involve personnel dismissal?

[Funaro] Yes, it does.

[Amorim] How many people are you planning to dismiss?

[Funaro] I do not believe we should begin by estimating how many people will be dismissed. Instead, we should try to set up an efficient organization. The employees who leave should find a job in other sectors, like the private sector.

[Beting] It seems, however, that the BNH [National Housing Bank] personnel will be transferred to the Federal Savings Fund.

[Funaro] They will not, Joelmir. On 24 November, the BNH personnel and the directors of the Federal Savings Fund will go to the BNH and will see who will have to be dismissed. They will draw up a list of employees and, in a civilized manner, they will transfer them to other posts outside the BNH.

[Beting] The government expects the new measures to increase its revenues up to 160 billion cruzados. How much will the government save with these administrative measures?

[Funaro] Planning Minister Joao Sayad and I designed a program to delay some investments and cut expenses. This will save 50 billion cruzados. It is important to recall that the government program provides for 140 billion cruzados for 1987 [sentence as heard]. Consequently, 50 billion cruzados will be a major cut for the public sector.

[Beting] As for administrative reform, this is hardly the tip of the iceberg, right?

[Funaro] The administrative reform is exactly that. The process has begun and those of us who are experienced know that the objective is efficiency. I will give you an example that I cited today. Japan's Export-Import Bank has 170 employees. Japan is the world's top exporter. This bank finances all Japanese exports. It is extremely efficient.

[Beting] How many employees does CACEX [Foreign Trade Department] have?

[Funaro] CACEX has a lot more employees.

[Amorim] When do you think the process of dismissal of dispensable public servants will begin?

[Funaro] Look, it has already begun. Many employees have already been dismissed this year. It is more difficult to dismiss personnel whose posts are regulated by law. However, the people working under CLT [Consolidated labor laws] conditions have been dismissed. We even dismissed personnel from the Finance Ministry.

[Amorim] Why was this news not released before the elections?

[Funaro] This is all part of the administrative reform plan we have been studying for months. Since last year, when we started the fiscal reform, the president proclaimed a law forbidding the government to hire more people until the end of this year. This law has now been extended until the end of 1987.

I must tell you that about 1 percent of employees are leaving state companies. For example, out of a total of 400 employees of the Sao Paulo State Finance Ministry, about 150 have left.

[Amorim] Do you think that the labor market can absorb these people or will we have an unemployment crisis as a consequence of government dismissals?

[Funaro] No, not at all. We are living through a process in which people get other jobs and spontaneously leave their public posts. In Sao Paulo, many people left spontaneously. There are great job offers, paying more than the government pays. Therefore, these people are leaving public posts to work in other companies.

[Beting] Minister, the refundable tax was enforced in June to stop consumer demand and increase tax collection. However, it turned out that tax collection increased without curbing demand, which, in fact, has increased instead of dropping. Are we not looking at a similar situation here, that is to say an economic package to curb demand that will again increase tax collection without actually curbing the demand?

[Funaro] Well, Joelmir, it is very difficult to tell exactly how much an economic package can curb demand. Our first package was calculated in relation with 1.5 percent of the GDP [sentence as heard]. However, it so happened that despite launching the first measures in August and expecting positive results in September or October, it turned out that we consumed more fuel in September than in August, and more in October than in September.

[Amorim] Minister, in our earlier newscast today reporter Carlos Nacimento reported on what will happen in the car market with the increase in the price of cars being determined by the government. At a used car dealer's he found that the 104-percent price increase on a car is exactly the same price one would pay for the same car on the black market, that is to say after paying the under-the-table payment [agio]. Therefore, the 104-percent increase is already being paid on the market.

[Funaro] Look, that is not so. This can be true with a certain car model. However, for example, people who bought cars through car purchasing cooperatives were not paying these under-the-table charges. Many people who had ordered a car and were on a waiting list did not pay these charges. That is, the average buyer did not pay these charges. Therefore, we really believe that our measures will curb the great demand in this field.

[Amorim] Returning to the subject mentioned by Joelmir, do you think that it will really be possible to curb the consumers' demand without affecting the income of families that earn less than five minimum salaries?

[Funaro] That would be a disaster. Because the real commitment of this government is to guarantee those who get up to five minimum salaries that they will be able to meet their basic needs. It would be very bad if the income of these people was affected. I think that we should curb the consumers' demand at another level, which is what we did.

Instead of creating another income tax or increasing income taxes, which is what is usually done in Brazil, we are allowing people to choose. That is, to choose between buying now or buying late when the economy calms down a bit and becomes more stable. It will be better to buy tomorrow rather than today.

Our economy must become stable by 1987. We must achieve more than that: We must finally guarantee the Cruzado Plan. That is, the plan must have yielded good results by then, within a stable economy.

We must demonstrate that, in keeping with our government capacity, we can react before a case like the present one. Nothing is preventing us from taking action. That is what we are here for.

If we are saying that our economy is on a collision course, it is our duty to adopt preventive measures before it is too late. That is exactly what we did.

[Beting] Minister, the poorer sectors do not have cars, do not use gasoline, or fuel alcohol. However, they do smoke and drink. The price of cigarettes nearly doubled and alcoholic beverages suffered a great price increase. Does this not affect the domestic budget of this sector?

[Funaro] It does affect them. The cigarette and alcoholic beverage price increases will affect them. However, cigarettes and alcoholic beverages should represent about 3 or 4 percent of their salaries. The poorer sector has not been affected in foodstuffs, rice...

[Amorim, interrupting] What will you do about the price of milk and beef? Will you modify those prices?

[Funaro] Yes, we will modify milk prices in January 1987. This is one of the administered prices given as an example by Professor Galbraith. We must first tackle this phase until the end of the year, and milk prices will then be modified. The price of meat will not be modified.

[Amorim] Will you modify the prices for prime cuts of beef?

[Funaro] The problem of beef is different. It was first priced at 215 cruzados, and afterward modified to 280 cruzados. The government will not allow any further price increases because beef would then become too expensive in dollars.

[Beting] What about steel, minister? The Siderbras [Brazilian Iron and Steel Inc.] has reported that its three largest iron mills will lose 16 billion cruzados this year just in the manufacture of steel plates for the car industry. This is nearly the same subsidy that wheat producers receive. What will happen to the price of steel?

[Funaro] We have made some adjustments, but only regarding the sales volume of these enterprises in relation to the car assembly industry. The 80-percent increase in car prices will be broken down as follows: Twenty percent will go to assembly plants, parts factories, and steel plants; the remaining 60 percent accounts for tax increases.

[Beting] Will the price increase of cars be reflected in steel prices?

[Funaro] Through the pricing process on the market, the car price increase will be reflected in the prices of spare parts and sheet steel as well.

[Beting] How about the sheet steel used to manufacture refrigerators?

[Funaro] No. The adjustment process of that steel has to be administered. If we increase all prices, we would unleash the same chain of price increases that occurred in the past. We do not want to return to the past.

[Beting] Prices of household appliances remain frozen. How will demand in this sector be contained, since there is a trend toward consumerism? We know that today a regular men's suit is more expensive than a refrigerator, and a sport shirt is more expensive than a blender.

[Funaro] Joelmir, the same thing happens in other countries. A suit in the United States is more expensive than a refrigerator and perhaps it is as expensive as a video cassette recorder.

[Amorim] Minister, what are you going to do about the prices of medicine?

[Funaro] We are going to study them carefully. We are going to remove current distortions.

[Amorim] Will each type of medicine have a special increase....

[Funaro, interrupting] Our studies are going in that direction, exactly in that direction.

[Amorim] Professor Galbraith says he regards as very useful a consumer price index that would take into account only those price increases affecting low-income families. Today, the government's official newscast "Jornal Nacional" announced that IBGE President Edmar Bacha resigned, possibly over the consumer price index problem. Minister Funaro, what happened? Why did Professor Bacha resign? Was it because the IBGE will no longer release two indexes? What is it all about? Will the IBGE now release only one index?

[Funaro] I do not believe the IBGE president's departure is related to the inflation index. The truth is that the government has not asked Professor Bacha for anything. The problem concerning the restriction of releasing only one index concerning the basic family needs is a commitment made by the president to low-income workers. The president believes that the restricted consumer price index represents the basic needs of the worker. It is hard for us to work with the restricted index. The expanded index is much better for us, but we will continue to use the restricted index because it is a political commitment made by the government to the workers.

[Beting] The basic item in the budget of low-income families is food. The Brazilian inflation rate will thus be subordinated to food prices: that is, it will be exposed to the risks of frosts, plagues, and floods, and to the actions of the large number of middlemen operating in our market. Couldn't this backfire? Couldn't the inflation rate simply reflect a shocking food price increase owing to an unexpected food shortage?

[Funaro] Yes, Joelmir, but this is the government's commitment. If food prices actually increase, we have to adjust the workers' salaries.

[Amorim] Minister, I want to ask you the same question I asked Professor Galbraith. Is this not a way of punishing the middle class even harder through the readjustment of the economic policy because the middle class uses shoes, clothes, refrigerators, television sets, and none of these items will be taken into account in the consumer price index. Won't the middle class deservedly be disappointed?

[Funaro] No, on the contrary. The middle class can no longer be dependent on an index. That was in the past, before the Cruzado Plan. Let us clarify the deindexation process. What we must do is organize our economy in such a way that when an individual goes to a store he may really choose from among several items. The day he can choose from among several items, he will certainly be able to shop much better than today. It will do him no good to be dependent on an index if, when he goes to a store, he cannot find the item. An organized economy will benefit the middle class. What we must do today is organize the Brazilian economy. We are committed to the people, not to an index. Deindexation has shown that life in Brazil has improved since the Cruzado Plan. Before, indexation was everywhere, through monetary correction and so forth. Today, there is no more indexation. Today marked the end of indexation in the Brazilian economy as a result of the new government measures.

[Beting] Minister, a rush on supermarkets and stores occurred in Sao Paulo on Friday. In Ribeirao Preto, stores were closed in the afternoon. The people are afraid that prices might be unfrozen. What could you tell the people to calm them now so that we can avoid another rush on the supermarkets today, Saturday.

[Funaro] There is absolutely no need for the people to react that way. On the contrary, these measures are designed to avoid rushes, to prevent the people from acting out of fear of what could happen tomorrow. On the contrary, we want to make the Brazilian economy stable.

[Beting] Will the price freeze continue?

[Fumaro] It will continue absolutely as it was before these measures. If consumerism declines a bit, prices will remain stable and, in some cases, they will even decline.

[Amorim] Minister, how will those savings books work? There will be no more monetary correction. From now on, savings books will earn 6 percent interest annually, plus the value of the Central Bank Certificates [Letras do Banco Central -- LBC] every 3 months. What can you tell the many holders of savings books? What is the additional earning stemming from the LBC value every 3 months? How does it work?

[Funaro] The LBC is based on the earnings of overnight [preceding word in English] loans. People have always put their money in the overnights. Therefore, we are giving the holders of savings books the same guarantees against inflation through the additional overnight rate; that is, the Central Bank's LBC plus the regular interest earned on the deposit. There has been absolutely no change, distortion, or loss for holders of savings books. It will continue exactly as it has been.

[Beting] Will the interest rate on the open market remain above the inflation rate?

[Funaro] It could, it could...

[Beting] What if it falls below the inflation rate?

[Funaro] There have been extremely small variations between the open rate and inflation rates. The market rate will certainly be above the basic inflation index.

[Amorim] In October, for instance, these rates were extremely close. Couldn't the open rate fall below the inflation rate and thus hurt savings books depositors...?

[Funaro, interrupting] I believe that any variation in the inflation and LBC earning rates are extremely small, and can in no way hurt the holders of savings books?

[Beting] To close, Minister, how is the monetary exchange rate working now?

[Funaro] We have had a floating rate since Monday, which means that the exchange rate could fluctuate upward or downward. On Monday, we devalued the cruzado by .22 percent ...

[Beting, interrupting] Devaluations could be daily, but not necessarily?

[Funaro] No, there is absolutely no need for devaluations to be daily. The Central Bank will give the rate daily. We will not arbitrarily make any maxi or mini devaluation.

[Amorim] You have set the rules of the game.

[Funaro] The rules of the game from now on are daily rates, which will have extremely low variations so as not to jeopardize Brazilian exports.

[Beting] That should be able to fight speculation.

[Funaro] That is right.

[Amorim] I believe exchange rates at the black market will now decline.

[Funaro] Exchange rates on the black market should have already declined, Paulo. There is no reason whatsoever for us to have had such a high monetary exchange rate in Brazil. I believe the time has come for this black market to collapse as it happened in other sectors.

[Beting] Thank you, minister.

[Funaro] Thank you.

CRUZADO DEVALUED .13 PERCENT 26 NOVEMBER

PY262313 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 26 Nov 86

[Text] This evening the Central Bank disclosed that the dollar rate of exchange went up by 0.13 percent. As of tomorrow each dollar will be purchased at 14.10 cruzados and sold at 14.17 cruzados. Since Friday 21 November the cruzado has been devalued by 0.62 percent.

REACTION TO UN 'HUMAN RIGHTS' RESOLUTIONS

Del Valle on U.S. Position

PY271350 Santiago Domestic Service in Spanish 0930 GMT 27 Nov 86

[Excerpts] Chilean Foreign Minister Jaime del Valle has described the attitude that Mexico and Cuba have adopted at the United Nations against Chile as hypocritical. This is the answer Del Valle gave when asked about the draft resolution that Mexico has submitted to the United Nations. This draft resolution is also sponsored by Cuba, Algeria, Denmark, Spain, France, Greece, Italy, Norway, the Netherlands, Portugal, Sweden, and Yugoslavia.

The draft resolution centers on the human rights situation in Chile, which the foreign minister believes several of these countries have no right to criticize. [passage omitted]

As for the U.S. position on the draft UN resolution, Del Valle said that the United States has stated that it will vote in favor of the draft resolution when it condemns terrorism. This is why there is doubt about the position that the United States will adopt, because for obvious reasons the draft resolution does not mention terrorism.

[Begin Del Valle recording] The United States has always categorically stated that certain factors that are taking place in Chile must always be taken into account, although this does not necessarily mean that we admit that such factors indeed exist. However, the terrorist issue must obviously be taken into account and of course this draft resolution does not make any mention of it. This draft resolution seeks to establish protection and respect for the terrorists. This is clearly stated in the Cuban draft resolution. [end recording] [passage omitted]

Ministry Praises U.S.

PY272748 Santiago Domestic Service in Spanish 1600 GMT 27 Nov 86

[Text] Chilean Foreign Ministry spokesmen this morning expressed their pleasure over the draft bill the United States has submitted against Cuba. They also expressed their satisfaction over what U.S. Ambassador Vernon Walters said at the United Nations. Walters referred to the differences between Castro's Marxist government and that of President Pinochet.

Both the draft resolution against Chile, which was submitted by Mexico with the support of Algeria, Cuba, France, Italy, the Netherlands, Denmark, Greece, Norway, Portugal, Sweden and Yugoslavia, and the draft resolution against Cuba will be voted on tomorrow evening at around 2200 by the United Nations.

Regarding the pleasure with which the Chilean authorities have received the draft resolution against Cuba, it has been said that there is pleasure over the resolution because Chile believes that this is a breath of fresh air amid the hypocrisy with which many governments have dealth with the [human rights] issue. It has already been said that it is a paradox for Cuba to be sponsoring a draft resolution against Chile for violating human rights, because no one can ignore the fact that there is no government in the world that can be compared with the Fidel Castro government, which has systematically violated human rights for many years.

The Chilean Foreign Ministry spokesmen added: We shall follow this draft resolution, as well as that concerning our country, with great curiosity.

DEL VALLE DISCUSSES RELATIONS WITH BOLIVIA, PERU

PY271342 Santiago LA TERCERA DE LA HORA in Spanish 18 Nov 86 p 5

[Interview with Chilean Foreign Minister Jaime del Valle by LA TERCERA DE LA HORA reporter Juan Carlos Poli in Arica -- date not given]

[Excerpt] Shortly after arriving from the OAS meeting in Guatemala, Foreign Minister Jaime del Valle told LA TERCERA in this city that "it is quite likely that the announcement by the nuncio in this city that the Governments of Chile, Peru, and Bolivia will meet here before the Holy Father arrives is true. This is precisely what our country wants, and it is showing this desire not only with these two countries but also with Argentina. Chile has shown Latin America its great desire for peace with its neighbors."

Minister del Valle met President Augusto Pinochet at the airport and during a 2-minute chat gave the President some information on the meeting in Guatemala. When he was asked about relations with Bolivia, the foreign minister said: "Relations with Bolivia could not be better. The efforts for a rapprochement in which the two governments are engaged have been very positive. We have taken important steps, such as the meeting held last month in La Paz as well as the one scheduled to be held in Santiago in late December. After these preliminary meetings, the foreign ministers will meet in Montevideo with the purpose of definitely starting discussions on the basic issues that concern our two countries."

[Poli] Won't the agreements reached during the OAS meeting affect the contacts seeking a rapprochement?

[Del Valle] No, by no means, because we do not feel affected. We had forseen that Bolivia would ask the OAS to make such a pronouncement, which was made in a very mild and respectful language for Chile. As Bolivia has correctly stated, the discussions on basic subjects have not yet started and they still feel free to request OAS support.

I think that the moment will come when Chile will firmly demand that the OAS be left out of the talks, because it is not correct to submit a bilateral issue to the OAS, which is a multilateral organization."

Commenting on relations with Peru, the minister stated: "The relationship with Peru is very good, and I believe that the visit his excellency made to the projects under way in Arica, in keeping with the 1929 Peace Treaty, was very important because they are projects provided for in the friendship agreement. We have been working on this basis, as well as on the manner in which these projects will be operated and administered. Therefore, it is very important that the president learn about the progress these projects have made and the ministry's stance in its talks with the Peruvian Government." [passage omitted]

NEW GUERRILLA COLUMN ESTABLISHED BY EPL IN WEST

PA262102 Bogota EL TIEMPO in Spanish 22 Nov 86 p 7-a

[By Martin Alonso Parra]

[Text] Pereira, 21 Nov -- Through the Popular Liberation Army (EPL), the Colombian Communisty Party-Marxist Leninist faction created a new guerrilla column called Oscar William Calvo in western Colombia. The subversive column was formed to pay tribute to the top leader of that armed movement who was killed on 20 November 1985 during actions carried out by the Army intelligence service.

The EPL stated that the new armed cell will fight against what it calls the bourgeoisie and U.S. imperialism.

The Maoist EPL claimed responsibility for the guerrilla actions in Santa Ana, Aguatica, where one person was killed and several were wounded. Two weeks ago, more than 70 armed men staged a surprise attack on Santa Ana, located west of Risaralda. The subversive harangued the townspeople and urged them to fight oppression.

The EPL denounced and condemned as repressive the actions that the Armed Forces have been carrying out in the Caldas region and southwestern Antioquia Department.

'NEW' M-19 DISSIDENT GROUP ATTACKS PATROL

PA262105 Hamburg DPA in Spanish 1824 GMT 26 Nov 86

[Text] Bogota, 26 Nov (DPA) -- It was reported in Bogota today that a new guerrilla group called New Revolutionary Front of the People [Nuevo Frente Revolucionario del Pueblo], apparently a dissident group of the M-19, emerged in Colombia in the past few days in rural areas of central Cundinamarca Department. In its first action, two of its members were killed.

The appearance of the new guerrilla group, detected in the Guasca, Junin, and Gacheta regions, has caused concern among [words indistinct] yesterday attacked a joint patrol of soldiers from the 13th Brigade and counterinsurgency agents of the Cundinamarca police.

BRIEFS

EXPORT STATISTICS -- As a result of increased coffee exports, Colombian foreign trade has increased to $2,875,700,000 during the first 10 months of the year. The country's foreign reserves have increased by over $1.2 billion compared to last year. The Bank of the Republic also reported that other exports, excluding coal and nickel, amounted to $1 billion during the same period of time. [Summary] [Bogota Emisoras CARACOL Network in Spanish 1215 GMT 24 Nov 86 PA]

ARMED FORCES ISSUE WARNING TO OPPOSITION

PA262318 Hamburg DPA in Spanish 1827 GMT 26 Nov 86

[Excerpt] Quito, 26 Nov (DPA) -- The Ecuadoran Armed Forces today issued a direct warning to the center-leftist opposition, asserting that "they will defend the democratic and constitutional system provided the Armed Forces are respected." "We do not accept measures detrimental to the military institution," said Defense Minister General Medardo Salazar, reiterating the Armed Forces decisions not to abide by the amnesty granted by Congress, which is controlled by the opposition. "Certain parties of the (opposition) Progressive Bloc are the ones harming the Armed Forces," said Medordo, who is regarded as a close ally of the president.

The government and the Armed Forces decided not to heed the release order issued by the Quito major, who handled the habeas corpus writ in favor of General Frank Vargas, who led the military uprising in March and was one of the beneficiaries of the pardon. [passage omitted]

ALFARISTS ISSUE COMMUNIQUE, CALL FOR DIALOGUE

PA260416 Madrid EFE in Spanish 0042 GMT 26 Nov 86

[Text] Quito, 25 Nov (EFE) -- The Alfaro Lives Calfaro (AVC) clandestine movement has urged the country's active forces and its citizens to participate in a national dialogue for peace and democracy during the first week of December.

In a communique distributed to news agencies, the guerrilla group urged the church and the Armed Forces to participate in this discussion "to be held in all jails in the country where there is a detained AVC member."

In its communique, the group pointed out that the current situation of destitution and violence demands the participation of all sectors "to discover the factors preventing peace in Ecuador." The main AVC leaders have been killed in the past few months in clashes with the police.

In October, Arturo Jarrin, the top AVC leader, was shot to death by security forces, and it was believed that the movement had been practically dismantled.

However, several communiques sent to the media recently revealed that the AVC was restructured. It has a shared leadership now that includes women, but there have been no reports on new armed actions by this group.

GARCIA REPORTEDLY HAS NO REELECTION PLANS

PY280007 Paris AFP in Spanish 1603 GMT 27 Nov 86

[Text] Lima, 27 Nov (AFP) -- Congressional sources reported today that former Peruvian President Fernando Belaunde has revealed that Peruvian President Alan Garcia has no intention of seeking immediate reelection. A draft bill that would allow him to do so has been introduced in the Chamber of Deputies.

A recent proposal by Prime Minister and Minister of Economy Luis Alva Castro raised the possibility of amending the Constitution to allow Garcia be reelected in 1990, when he concludes the term he began in 1985. Some observers agreed today that the controversy this proposal has aroused could be dissipated by Belaunde's revelation.

However, the president, 37, in every public appearance and meeting with the press -- which have been frequent in the last 13 days -- has avoided confirming or denying this alleged intention.

He told me that he has no intention of seeking immediate reelection, Belaunde said last night while discussing with the press the recent visit by Garcia to Belaunde's residence to express his concern over the state of health of former First Lady Violeta Correa de Belaunde. Belaunde said that Garcia has no reason to seek reelection, much less to amend the current Constitution, because he is a young man who has a broad political future.

ALVA CASTRO BRIEFS CONGRESSMEN ON ECONOMY

PY261528 Lima Radio Del Pacifico in Spanish 1300 GMT 26 Nov 86

[Text] Speaking to members of the Joint Budget Committee, Economy Minister Luis Alva Castro yesterday said that the economic and fiscal evaluation of the 3d quarter of 1986 was unsatisfactory. [as heard]

Alva Castro announced that the accrued deficit from January to September stands at only 1.5 percent of the GDP. He added that the budget of state-owned financial organizations totals 24,695,000,000 intis, that Peru has obtained foreign loans totaling nearly $800 million, and that domestic interest rates have remained unchanged.

The economy minister yesterday appeared before the Joint Budget Committee to give a briefing on fiscal revenues and expenses during the third quarter, as required by law. He also presented the budget for state-owned financial organizations.

SENATE EMPOWERS GOVERNMENT TO CONTRACT NEW LOANS

PY261452 Lima Radio del Pacifico in Spanish 1300 GMT 26 Nov 86

[Text] With the vote of the majority bloc, the Senate last night granted additional powers to the executive branch to renegotiate the foreign debt and to contract new loans totaling $560 million. The opposition voted against these measures.

Just as it did during the recent Senate session on the 1987 budget proposal, the opposition bloc last night again criticized the government economic policy, thus widening the gap between its position and that of the government on the budget and the foreign debt.

IU, PPC SEEK NULLIFICATION OF MUNICIPAL POLLS

PY271406 Lima Panamericana Television in Spanish 0340 GMT 26 Nov 86

[Text] The Popular Christian Party [PPC] will join the United Left [IU] to request that the 9 November municipal elections be voided. This announcement was made by Luis Bedoya Reyes.

[Begin Bedoya Reyes recording] I believe that silence and complicity are not only signs of weakness but also strange ways of behaving. I believe that truth defends democracy and that the honesty of those who must come out to tell the truth defends democracy. Consequently, at a meeting it held today, the PPC Political Commission decided to request the voiding of the municipal elections, taking into account the grounds for filing an appeal for nullifying the process. There have been serious violations -- and not just those that people usually think about -- such as assaults on polling tables and the theft of ballot boxes. These things often happen among university students, and perhaps someone who is now a great public figures practiced them when he was a university student. But these things cannot happen, should not happen, in a country where guarantees exist. [end recording]

PPC BEING REORGANIZED, NATIONAL LEADERS RESIGN

PY261927 Lima Radio del Pacifico in Spanish 1300 GMT 26 Nov 86

[Text] Because the Popular Christian Party [PPC] is being reorganized, all PPC national leaders have tendered their resignations to PPC President Luis Bedoya Reyes. PPC Organization Secretary Ricardo (Amil) has said that the reorganization ordered by the Bedoya Reyes-led Political Committee will be instrumental in evaluating the performance of PPC members during the recent municipal election.

DEPUTY REPORTS TAPPING OF OFFICIALS' PHONES

PY272138 Paris AFP in Spanish 1631 GMT 27 Nov 86

[Text] Lima, 27 Nov (AFP) -- Today opposition Deputy Pedro Villa Durand reported the existence of an alleged espionage network that taps the telephone conversations of opposition politicians and some magistrates in Peru. Villa, of the Popular Action Party headed by former President Fernando Belaunde Terry, commented that it seems to be an operation with a scope similar to that of Watergate.

As an example, he mentioned the fact that not long ago, some unidentified men were found in the office of the attorney general in this capital. They had tapped the telephones of several magistrates and recorded their conversations with sophisticated equipment.

Villa added that the homes of several leaders of opposition parties had been the target of similar actions. The deputy stated that the tapping of telephone conversations violates the right to privacy provided for in the Constitution.

In announcing that he would ask the National Congress to demand an official explanation of his charges, he stated that recently, Interior Minister Abel Salinas had refused to answer questions posed to him during a speech he made in the Chamber of Deputies.

BROAD FRONT LEADER ASSERTS STAND AGAINST AMNESTY

PY230141 Montevideo Radio El Espectador Network in Spanish 1600 GMT 22 Nov 86

[Text] A political accord to overcome the present crisis could be announced in the next few weeks. National Party leader Carlos Rocha Imaz said that there are not yet any concrete proposals. However, it is known that political contacts have increased. The Blanco leaders will spend a few days consulting with party members before they reach any decision. The Broad Front has agreed to cooperate, but only if impunity is not contemplated as part of the deal. Radio El Espectador tried to contact government or Blanco Party leaders, but most of them were holding political meetings outside the capital. We were able to speak with Broad Front Senator Francisco Rodriguez Camusso, who said:

[Begin recording] [Rodriguez] The Broad Front has always been willing to cooperate for two reasons: The 1984 elections showed that there are no longer two major and several smaller parties, but three large political organizations. Therefore, there are not now, nor will there be in the near future, prospects for the emergence of a single political force with an absolute majority. The second reason is that we have gone through a shameful period of dictatorship, which not only eliminated freedoms, but practically destroyed the country economically and culturally. The coordinated efforts of all the political forces are necessary to take the country out of the hole in which it was left. The Broad Front has always maintained that attitude. This political organization has its own programs and solutions, but it is always open to face problems jointly with the other political forces.

What happens now is that the Colorado and Blanco Parties are inclined not to do anything about those who violated human rights during the dictatorship. There are people who have committed murder, who have tortured, who have raped women who were in jail, who have maimed detainees. Horrendous crimes have been committed and there is no information about several dozens of fellow citizens who were arrested and disappeared. The Broad Front believes it cannot participate in negotiations intended to protect those who committed such atrocities. If the Colorado or Blanco parties -- or sectors of those parties -- have decided to do so, it is their choice. The Broad Front will not accompany them.

[Reporter] Senator, the daily EL DIA says that the Broad Front is not going to obstruct the negotiations, even when it is not going to participate. Is this true?

[Rodriguez] The Broad Front will continue to struggle through court proceedings to find those responsible for the barbaric acts. Of course, if a majority represented by the Colorado and Blanco parties use legal and constitutional channels to find a different solution, all we can do is fight and denounce such a solution. We will fight with all our strength. That is all we can do at the moment. The Broad Front will naturally fight with all the legal and constitutional means available for the defense of a policy of principles that cannot be bent. [end recording]

HUMAN RIGHTS CASES GO TO CIVILIAN COURTS

PY252312 Paris AFP in Spanish 1555 GMT 25 Nov 86

[By Enrique Vidal]

[Excerpts] Montevideo, 25 Nov (AFP) -- A recent Supreme Court decision authorizing the civil courts to handle two cases involving human rights violations has added a new element to the crisis that is affecting Uruguay. This decision has also made the military the main protagonists in the present political situation. Yesterday's decision granted the civil courts jurisdiction in the dispute that was raised by the military courts some time ago. The dispute centers around the human rights violations that were reported after the democratic regime came to power in March 1985.

In one of its decisions, the Supreme Court states that only strictly military crimes, that is to say, those that involve crimes perpetrated by military officers who violate military regulations, can be tried by military courts in times of peace. However, the decisions establish the possibility of resorting to a series of legal resources which, if submitted by the defendant, may delay the trial. The decisions were supported by the five civilian judges that make up the court and rejected by the two ad hoc military judges, who are also members of the Supreme Court. One of the decisions involves a Communist Party militant who was kidnapped in September 1981 and who later disappeared, while the other concerns a claim submitted by Journalist Enrique Rodriguez Larreta who charged that he was kidnapped and tortured in 1976. Rodriguez Larreta charged that he was held in the Automotores Orletti [in Argentina] clandestine detention center and that later he and a group of other Uruguyans were transferred to Uruguay.

The Supreme Court has yet to consider approximately 20 jurisdiction disputes, and it is expected that military judges will submit new jurisdiction disputes. There are in all about 50 reports of human rights violations, and, according to the Peace and Justice Service [Serpaj], these cases involve approximately 397 victims and 180 military officers. [passage omitted] However, the new decisions may unleash an institutional crisis if the military decides to definitely ignore the summons issued by the civilian courts. According to observers, the first reaction of the court's ruling will be an acceleration of the negotiations that are under way to achieve an interparty agreement something which the Colorado Party believes is imminent, while the Blanco Party believes is a mere possibility.

DEFENSE SECRETARY COMMENTS ON DOMESTIC SECURITY

FL270350 Mexico City NOTIMEX in Spanish 2245 GMT 26 Nov 86

[Text] Mexico City, 26 Nov, (NOTIMEX) -- National Defense Secretary General Juan Arevalo Gardoqui today said the Mexican Army has the necessary resources to guarantee national security.

The official was interviewed during a breakfast Mexican governors and the chief of the department of the federal district held in honor of President Miguel de la Madrid on the occasion of the fourth anniversary of his government during which they expressed their solidarity to the chief of state.

Arevalo Gardoqui asserted that Mexico is not concerned over the arms race in progress in Central America inasmuch as the safety of the Mexican territory is guaranteed by Mexican Army safety measures. He said Mexico is experiencing a well-known social order and in no way has it been violated despite economic difficulties. If there was no social order I would not be having breakfast here. He underscored that if there was no social order he would be where the conflicts were.

Arevalo Gardoqui indicated that the main objective of the Mexican Army is not the war against drug smuggling because the army does not live off drug smuggling. He added: we have greater tasks such as reforestation, housing, and guaranteeing the people's safety. We are not only interested in drug smuggling he said.

He noted that the war against drug trafficking costs the Mexican Army some 66.8 million pesos a day, it uses 25,000 men in the entire country to locate and destroy trafficker plantations and operation centers, at a daily cost of 2,675 pesos per individual.

Regarding recent attacks made against him abroad attempting to link him to drug smuggling activities, the defense secretary explained that his integrity is beyond any doubt, that he is a person who is dedicated to combating that problem in Mexico and that history will prove it.

POLICE SEIZE MARIJUANA SHIPMENT EN ROUTE TO U.S.

FL261337 Mexico City NOTIMEX in Spanish 0456 GMT 26 Nov 86

[Excerpts] Mexico City, 25 Nov (NOTIMEX) -- A 1,150-kilogram marijuana shipment, which was going to be taken to the United States and whose value in the black market would amount to $30 million, was seized by agents of the Mexican federal police in the northern state of Nuevo Leon, the republic's attorney general office has announced. [passage omitted]

Arrested by the police were the driver of the truch and his assistant as well as four other persons who were following the truck in a car. The names of those arrested are: Aquilino Ponce Arriaga, Rigoberto Magallanes, Macario Malvaez Brena, Ruben Castaneda Chapa, Orel Chapa Cadena, and Arnulfo Salinas Valdivia. [passage omitted]

COSTA RICA

ARIAS TO SUGGEST NEW PEACE GROUP TO REAGAN

PA262249 San Jose Radio Reloj in Spanish 1200 GMT Nov 86

[Text] Costa Rican President Oscar Arias Sanchez will suggest to President Ronald Reagan the creation of a new peace organization for Central America. This organization would be parallel to the Contadora Group and would be formed by Italian Prime Minister Bettino Craxi, Spanish Prime Minister Felipe Gonzalez, Argentine President Raul Alfonsin, Uruguayan President Julio Sanguinetti, Guatemalan President Vinicio Cerezo, and Arias Sanchez himself.

According to President Arias, the peace organization he will suggest to President Reagan will be the final option to prevent bloodshed in Central America. Arias reiterated that he feels a union between the European and American democracies will help change the course taken by Nicaragua.

Clarifies Proposed Alliance

PA271605 San Jose Radio Reloj in Spanish 1200 GMT 27 Nov 86

[Text] The alliance proposed by President Oscar Arias would not be an organization. Instead, he is talking about the attitude of countries. The alliance among the democracies of Europe and Latin America to find a peaceful solution to the Nicaraguan conflict does not mean the creation of an organization. Instead, it would involve the attitude that those countries should adopt. According to President Arias, the Nicaraguan problem will not be resolved on the battlefield. He stressed that in his view, the United States has been alone in its request for changes in Nicaragua, and he added that the European democracies should play a more active role rather than just lamenting what is taking place in Nicaragua.

President Oscar Arias admitted the United States must be convinced even more than the Western European democracies of the feasibility of a political rather than a military solution to the Nicaraguan issue.

Arias pointed out that the European democracies have maintained an apathetic and disinterested attitude regarding the Nicaraguan problem and that they have only lamented the situation. That is why, he said, the leaders of those countries must be urged to demand more, and the United States must work to get its allies to support it in the political rather than the military field as far as the Nicaraguan issue is concerned.

EL SALVADOR

RUMORS INDICATE NEW GOVERNMENT-FMLN-FDR TALKS

PA261722 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 26 Nov 86

[Text] Rumors, which have been increasing as time passes, were circulating yesterday. The government and the rebel forces of the FMLN-FDR are reportedly planning to hold a new dialogue in Corinto, a town located 86 km northwest of Gotera.

The meeting is reportedly being planned there on the occasion of the town's patron saint festivities on the epiphany, 6 January.

Nevertheless, the Radio Cadena YSKL news department has been unable to confirm these rumors. The rumors come after the heavy clashes over the weekend which left close to 100 casualties among the rebel and Army ranks on the outskirts of Corinto, in the area between La Estancia farm and the town.

We repeat: There are persistent rumors that the government and the rebels are reportedly considering a new dialogue meeting on 6 January in Corinto.

GUATEMALA

MINISTERS QUIT, PARTIES URGE CABINET CHANGES

PA262152 Panama City ACAN in Spanish 1619 GMT 26 Nov 86

[Text] Guatemala City, 26 Nov (ACAN-EFE) -- The education and agriculture ministers today presented their resignations to President Vinicio Cerezo. This represents the first cabinet crisis in the 10 months of civilian rule in Guatemala.

Education Minister Eduardo Meyer Maldonado said his resignation "is due to the tension that public office entails" and his desire to return to his academic and private activities. Meyer Maldonado had resigned as rector of the San Carlos National University to become minister.

Agriculture Minister Rodolfo Augusto Estrada also presented his resignation due to "personal reasons." However, in his case, the ruling party had previously announced he would be removed at the end of this year.

Demetrio Moliviatisa, official spokesman of the Guatemalan Christian Democracy, on 23 October announced the "decision to change ministers and officials who are not doing a good job." Among the planned changes, Moliviatisa expressly mentioned Agriculture Minister Estrada and Public Health Minister Carlos Armando Soto Gomez.

The opposition parties have requested the removal of Economy Minister Elizardo Sosa and Finance Minister Rodolfo Paiz Andrade while labor leaders have asked for the removal of Labor Minister Catalina Soberanis.

Presidential Spokesman Julio Santos said today that President Cerezo "has not made any decision about possible cabinet changes, not even in the case of already presented resignations." Santos said the decision will be made early next year "after the traditional 'protocol resignation' of the entire cabinet takes place on occasion of the end of the year. [quotation marks as received]

The Vinicio Cerezo government took office on 14 January, after 20 years of military regimes.

HONDURAS

FAMILIES REPORT EPS ADVANCE ON CONTRA CAMPS

PA270345 Paris AFP in Spanish 0305 GMT 27 Nov 86

[Text] Tegucigalpa, 26 Nov (AFP) -- An advance by the EPS in the remote sector of Arenales in the eastern department of El Paraiso, 240 km east of Tegucigalpa, which caused a withdrawal of the contras into the country, was reported by press correspondents in the region today.

According to a report on Monday by persons newly displaced from the zone, the deployment of the Sandinists was continuing in view of the absence of Honduran troops which were "withdrawn some weeks ago." Some families claimed Nicaraguan contra commanders told them the contras cannot halt the Sandinists' advance and that they are waiting for help from the Honduran Army "but it does not want to intervene in the conflict," according to the correspondents.

The sources claimed that the Sandinists "have occupied vanguard positions" in the communities of Amparo, Arenales, Piedra Bola and in Zepeda Hill, 15 km inside Honduran territory. Several observation posts that the Nicaraguan rebels had established in Zepeda Hill were taken by the Sandinists, they indicated. Some 20 families of Zepeda Hill arrived Monday in Las Trojes, the closest community to the 450-sq km area controlled by some 10,000 contras, according to recurring reports.

According to the same sources, the latest inhabitants of Capire, the center of operations of the contras now named "Managuita," 12 km from the border, have also abandoned their homes.

Las Trojes is located 30 km from the area where the Sandinist troops are mobilizing.

EPS Kills Border Soldier

PA261914 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 26 Nov 86

[Text] The usual border skirmishes have produced another victim. A soldier from the 6th Infantry Battalion headquartered in El Paraiso was shot to death when an EPS contingent fired on a tobacco house near the border.

This incident occurred in the border area where skirmishes are commonplace. Jorge Alberto Diaz Castillo reports:

[Begin recording] A soldier from the 6th Infantry Battalion, headquartered in El Paraiso, was shot to death yesterday morning when an EPS contingent fired on a tobacco house near the border in Las Trojes.

According to a report sent by Police Major Marco Antonio Matute from that department, to the general command of the Public Security Force, the incident took place yesterday at 0630 when the armed EPS contingent entered Honduran territory and attacked the tobacco house.

The soldier, David Nunez Gonzalez, was shot in the chest by a bullet from an AK-47 rifle and died on the spot.

The police report does not say whether or not the attack was repelled. It only points out that after the shooting, the Nicaraguan soldiers returned to their territory. There is no report on other casualties. Reportedly, the body of the Honduran soldier was turned over to his relatives yesterday. [end recording]

Contras Harass Coffeegrowers

PA261703 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 26 Nov 86

[Text] Tegucigalpa -- Small coffeegrowers of eastern Honduras will lose approximately $4.7 million because of the presence of Somozist counterrevolutionaries along the border with Nicaragua.

Spokesmen of the Association of Coffee Producers in El Paraiso Department, which is on the border with Nicaragua, said that nearly 1,500 small producers will be unable to harvest their crops this year. It was said that these coffeegrowers own an average of 5 hectares which produce 40 to 50 quintals of coffee a year. From this they earn a net income of $3,000 - $5,000 a year. The same sources said the contras move freely about the area without interference from the Honduran Army and that if any Honduran protests this, he is accused of cooperating with the Sandinists. The Honduran Army even forces the people who live very near the border with Nicaragua to leave the area so Somozist counterrevolutionaries can set up positions there. The sources added that the economic losses not only affect the coffeegrowers but also the approximately 6,000 people who regularly pick coffee in the various plantations and about 2,000 others who occasionally work there.

NICARAGUA

ORTEGA BERATES U.S. POLICY TOWARD NATION

PA271946 Managua Domestic Service in Spanish 1746 GMT 27 Nov 86

[Speech by President Daniel Ortega at the 14th General Assembly of the Inter-American Social Security Conference at the Cesar Augusto Silva Convention Center in Managua; broadcast in progress -- live]

[Text] ...the confidence that you have placed in our nation by holding this important event here. We speak about this confidence because no one can disregard the situation faced by Nicaragua, the difficulties faced by Nicaragua, and the challenges faced by Nicaragua.

As we have well said, Nicaragua is part of Latin America. A democratization process is being experienced here in the Latin American context. As a result of this, the Nicaraguan revolution is nourished by the history, the struggle, the heroism, and the example of the Latin American people. One cannot separate the Nicaraguan people's struggle from the Latin American people's struggle for their independence, self-determination, sovereignty, democracy, justice, freedom, and peace.

You are meeting here in Managua to discuss the topic of health and social security. Companero Reinaldo Antonio Tefel [Nicaraguan Social Security and Welfare Institute director] and Companera Dora Maria Tellez [Nicaraguan health minister] have probably given you abundant information about the efforts being carried out in our country since 1979 to substantially improve the living conditions of our people in all aspects. Health and social welfare have a predominant place in these efforts.

They must have also told you that even though this is the first serious effort that has ever been carried out in our country's history, it has come up against the policy of a powerful nation bent on denying the Nicaraguan people their right to health and social welfare. You must have heard here the figures on the number of schools, health centers, and child development centers that have been destroyed by the U.S. Government's policy in Nicaragua. You must have heard here the figures on the number of doctors, nurses, and social workers who have been assassinated in the past years by the mercenaries who are waging the war against our people and who are the instrument of the U.S. Government's policy.

We would prefer not to be talking in these terms about the U.S. Government in such an important event as this one. We would be happier if we could talk about U.S. aid to Nicaragua to develop health programs and to implement rural social welfare programs. We would like to be talking about millions of dollars or of $100 million approved by the U.S. Congress to build more health centers and child development centers in Nicaragua. That is what we would like, that is what the U.S. people would like, and that is what all the Latin American people would like. In a single voice, they have told the U.S. Government that it should respect the self-determination of the Latin American peoples, respect the self-determination of the Nicaraguan people, and let us live and work in peace.

We wish we could give you good news at this time about the U.S.-Nicaraguan relations. However, we cannot ignore reality, which is completely the opposite of our wishes and intentions.

We cannot ignore the policy of the U.S. leaders and President Reagan. We are not talking in these terms because we are enemies of President Reagan or the United States, but because the U.S. Government and the U.S. President have assumed a behavior violating the Nicaraguan people's right to social welfare, health, independence, self-determination, sovereignty, life, and peace.

The U.S. leaders have chosen a policy we have been denouncing these past 7 years. It is a policy that has led to the formation of the Contadora and Support Groups which involve Latin American participation through eight countries that reject the U.S. interventionist policy and demand a peaceful solution to the Central American conflict.

We cannot forget to mention this reality at this event. It is a reality of the U.S. Government policy, which has chosen not to listen to Latin America. It is a government that has also refused to listen to European governments that are U.S. allies and which disagree with this policy violating the Nicaraguan peoples' human rights. It is a government that has also refused to listen to the voice of the peoples of Africa, Asia, and the entire world who have clearly spoken at the United Nations demanding an end to the policy of force, respect for the UN Charter and its principles, and a peaceful solution to the conflict.

The U.S. leaders have also refused to listen to their own people. For 7 years, we have been calling attention to this criminal, illegal, and terrorist attitude of the U.S. Government.

It is completely absurd, contradictory, and even surrealistic to listen to U.S. leaders and President Reagan claim they are fighters against terrorism and in favor of democracy and peace. It is completely surrealistic to hear President Reagan talk about his respect for international law and the U.S. domestic law.

Until a few months ago, it was Nicaragua who was making this charge. The Latin American governments have shown a very clear position as to the need to solve these problems peacefully but the United States has behaved in a manner directly opposite to that demanded by the world.

On the one side we have the U.S. words, on the other we have the words of Nicaragua and the Latin American and European governments, despite the fact there have been UN resolutions which backed up these charges.

Nicaragua had already appealed to the highest organization available to all nations on earth to discuss this kind of problem, and to clearly establish once and for all if the United States -- as President Reagan says -- actually has the right to behave the way it has behaved and continues to behave toward Nicaragua. If there is true, the U.S. actions are just and legal and the Nicaraguan actions are illegal, unjust and terrorist, as President Reagan has charged. If, on the contrary, the U.S. actions are illegal and terrorist, then the Nicaraguan actions are legal. This is to be discussed after all.

We appealed to the International Court of Justice [ICJ]. With this action, we lent our support to the judicial instrument provided for the nations and the states to discuss and to clarify such problems. Nicaragua appealed to the ICJ, the same court to which, on more than 11 occasions, the United States has appealed; the court whose jurisdiction the United States recognized until that moment when Nicaragua filed its charges; that same organization, the same judge to whom the United States has appealed on countless occasions.

The ruling is well known. It condemned the U.S. actions. The ruling urged the United States to immediately cease its policy of aggression, of terrorism, and clearly states that the U.S. Administration policy is illegal. Therefore, Nicaragua now is not the one charging the United States with terrorism and violations of the international law, and illegal actions. Now the Latin American countries are not the only ones expressing their concern over the U.S. actions. Now the European governments are not the only ones expressing their concern and that of the governments of the world. Now, it is the highest judicial instrument that nations have available, and to which the United States has appealed. The judge of that court issued a ruling. The ruling is well known and has been widely publicized, and it confirms the U.S. Government actions as illegal. It confirms the U.S. responsibility for the damage caused to Nicaragua, and calls on the United States to compensate Nicaragua. The ruling also tells the United States that it should find the way to halt immediately this policy and resolve its problems with Nicaragua through a negotiated solution as established in the UN statutes.

What has been the reaction of the U.S. Administration to the ICJ ruling? It has persisted in its terrorist policy, in providing weapons, money, military advisers from the U.S. Armed Forces to continue destroying health centers in Nicaragua, to continue killing doctors in Nicaragua, to continue killing and kidnapping health workers in Nicaragua, destroying children's development centers in Nicaragua. The U.S. Government insists on its illegal policy. It gets Central American governments more committed and involves U.S. citizens who are sent to their death in Nicaragua in this dangerous adventure. This is the case of the U.S. citizens who, acting as mercenaries, violate our airspace to drop supplies and provisions to the terrorist groups, and they were downed by the people's defense. Two U.S. citizens were killed and another U.S. citizen is in prison. He has been condemned to 30 years in prison, which is the maximum penalty. We do not have a death penalty, as there is in the United States.

Recently, during a meeting we had with [a group of] Americans -- there were 140 American health workers at the meeting -- they expressed concern over the case of the prisoner Mr. Hasenfus. I asked them what would happen in the United States if an armed action took place; if there were armed groups there destroying schools, health centers, murdering American workers, and a plane from a Latin American country came to drop weapons for those people and if the Americans downed the plane and captured its occupants. What would happen to those prisoners, I asked them.

Their answer was that in some states he would be sent to the electric chair and in others he would be sentenced to life in prison.

Justice in Nicaragua is benign compared to the way justice is applied in the United States. We commented on how far the application of justice goes in the United States. There is a famous case of an American spy who was sentenced this year to two life terms plus 50 years in prison or something like that. I explained that this does not happen in Nicaragua.

We said that despite the ruling of the court [International Court of Justice] and the international clamor, they [the U.S. Government] persist in their policy of aggression and threats of direct intervention with their troops. This week... [changes thought]. We must acknowledge your valor in coming to Nicaragua for this meeting at a time when we are under a threatening military blockade by U.S. naval forces. Such an action could at any time turn into direct action by U.S. troops in our country, a U.S. invasion. We are under constant pressure, under a permanent threat. We are faced with the real possibility that an invasion will occur.

This U.S. Government conduct naturally continues to be rejected by the Latin American peoples and governments. The U.S. President is so obsessed with the idea of destroying the Nicaraguan revolution, of not ending his presidential term leaving the Nicaraguan revolution intact, that he violates international law and U.S. laws.

Here we have the leader's scandal. Indisputably, President Reagan is the main violator of U.S. laws, because he sent financial support and supplies to the contras. Now it has been discovered that using another channel -- as President Reagan had been saying when the Congress would not approve the $100 million -- millions of dollars have been deposited [in bank accounts].

The exact amount has not been established, but it is estimated that as much as $30 million may have been deposited for the mercenary forces, in an illegal action violating U.S. laws.

President Reagan, to destroy the Nicaraguan revolution, tramples on international public opinion, on U.S. public opinion, on U.S. laws, and he shows disrespect for and violates U.S. laws. That is, he violates not only international law, but also his own laws, the laws of his country.

President Reagan had better not play dumb [hacerse el ignorante] or at being naive, of not having known anything. Poor President Reagan did not know what was happening, did not know the admiral and the general [as heard] were moving those resources that way for the mercenary forces.

What kind of president is President Reagan, then? In addition to this, must we now ignore that President Reagan had been repeating the same discourse year after year, day after day, second after second, against the Nicaraguan revolution? Must we ignore all the help and financing that he has given to the mercenary forces? Must we ignore all the threats that he has made against the Nicaraguan Government, not having ruled out the use of his own forces to invade our country and attempt to destroy the revolutionary process? Must we ignore all his discourse and his actions?

This is very clear. The admiral and the general were acting in accord with the President's speech. If President Reagan had a different attitude, if his attitude had been one of respect for and compliance with the ICJ ruling, if his attitude had been one of listening to Latin America and the Contadora and Support Groups, and if his attitude had been one of accepting the unconditional dialogue with Nicaragua, then surely the general and the admiral would never have come up with the idea of using mechanisms for sending weapons to Third World countries and selling them at higher prices to get money from that sale to send to the mercenary forces. The general and the admiral would never have come up with this. If the admiral and the general did this, it was because a policy is under way and they are acting in accord with this policy.

Undoubtedly, they sat at a table and presented this policy to President Reagan. The plan for the implementation of this policy in the specific terms that are now the subject of a controversy was presented to President Reagan and he approved it. He must have approved it with much satisfaction because it was a way of sending money to the mercenary forces thinking -- President Reagan was thinking -- with a business mind that he could reactivate the mercenary forces with money since such forces were being defeated and are still being defeated by the Nicaraguan people.

Thus, we have a President of the United States -- a powerful nation and one with a responsibility toward the world -- a President Reagan with an incredible attitude: He claims that he had no knowledge of all of this.

How can a world power involved in the security of the human race, involved in the security of the people of the United States -- one that possesses impressive atomic weapons -- have a President who is unaware of what his subordinates do?

Since the image of the United States is at stake, and the violation of U.S. internal laws is at stake with actions such as this, and the U.S. Government and citizens are in the hands of a President as ignorant as Reagan, we must start thinking about who in the United States determines when and how to push the button that will set off the atomic weapons. This is worrisome. We must start thinking of the security and survival of the human race.

The truth, I said, is very clear. President Reagan is not going to deceive international public opinion, nor will he deceive the American people, because the admiral and the general acted: they made their plans, and implemented policies in accordance with the speeches, statements, and policies that their president has established and defended.

President Reagan should show some courage and shame and accept his responsibility. The person responsible is neither the admiral nor the general. The person responsible is the President, and he should not take the easy path of sacrificing the admiral and the general to save his own image.

These incidents have confirmed, as I said, the illegal, immoral, and nonjudicial actions of the U.S. Government. I have also reported that while this in going on, we have U.S. warships off our coasts, and we have U.S. troops in Honduran territory, and we have U.S. troops stationed in Panamanian territory, still occupied by the United States.

We are threatened with direct U.S. action, we are threatened with an invasion by the United States.

The United States insists on having its illegal policy, its policy of force. It insists on exerting pressure on the Central American governments for those governments to let themselves be used as instruments for the aggression against Nicaragua.

The United States exerts pressure on those countries particularly by using economic blackmail, economic pressure, political threats, discrediting campaigns, and slander. Poor Central American governments like those of Costa Rica, Honduras, and El Salvador [are the targets].

When the Costa Rican Government proclaims its neutrality policy, the U.S. Government is immediately irritated, because it does not want a neutral Costa Rica. It wants Costa Rica to be aligned with the terrorist policy and the U.S. policy of force against Nicaragua.

The Honduran Government either accepted the presence of the mercenary forces in its territory, or else that presence was imposed by the United States on Honduras. The mercenary presence has caused problems for the Honduran Government and people. The mercenary forces are there. Right at this moment, there are pressures on the Honduran Government for it to say that Nicaraguan troops have invaded Honduras. Once this is announced, the U.S. Marines and troops, who are in Honduras already, will hurry to attack Nicaragua.

There are pressures on the Salvadoran Government for it to be used as a base -- as it was discovered in the case of the U.S. citizen who was captured here -- for it to serve as a supply base for the mercenary forces.

However, we are sure, we are convinced that -- and we say this with conviction; we do not say this in diplomatic terms, because we dislike diplomatic jargon, and maneuvers; we say this frankly -- we are sure -- because we felt it in the meeting with the Central Acerican presidents in Guatemala this year -- we are sure that neither President Duarte, nor President Azcona nor President Arias want war in Central America. We are sure they do not want the intervention of U.S. troops in Central America. We know they would rather have a political solution to the conflict, but they are living under enormous pressure from the U.S. Government. This makes it difficult for those rulers to implement a constructive policy.

We took Costa Rica and Honduras to the ICJ because we favor peaceful, legal solutions not solutions of force. We resorted to the appropriate forum to clear up this problem and find a solution for this problem, and in this case the appropriate forum is the ICJ. This action should not bother Costa Rica or Honduras, because we are doing something that is legal and appropriate for Costa Rica and Honduras as well. This is an adequate action for the position of Honduras, Costa Rica, and Nicaragua because we are signatories of the Bogota Pact, in which we said we are obligated to find a way to solve our differences and problems among ourselves in a bilateral or multilateral way as the case may be. If this does not work out, we are obligated to resort to the ICJ. Costa Rica signed this pact; it has not abrogated it. Honduras signed the pact; it has not abrogated it. Nicaragua also signed the pact and it has not abrogated it either.

We have made all kinds of efforts to find bilateral agreements with Costa Rica and Honduras. We have made a great deal of efforts to establish a demilitarized zone in the border areas safeguarded by multinational forces. We have proposed this to Costa Rica and Honduras bilaterally. This would grant security for Nicaragua, Honduras, and Costa Rica. If we establish a multinational force under the auspices of the Contadora and the Lima Groups, we will grant ourselves that security.

Some 2 years ago, we worked with Costa Rica in Paris under the auspices of France to attain that end. Later on, we worked under the auspices of the Contadora and the Lima Groups to attain that same goal, And what happened? The negotiations that the mixed Costa Rican and Nicaraguan commission were carrying out were suspended at the time that Contadora was very enthusiastic because it seemed we were about to attain the goal. We had even talked about the countries that could be part of that force of multinational observers in the border area between Costa Rica and Nicaragua.

What else happened? The United States began to exert pressure and threaten Costa Rica, so Costa Rica had to back off. Consequently, those resources...[does not finish sentence]. We have sought a bilateral solution with Costa Rica. We have proposed a similar mechanism to Honduras so we may establish a Honduran-Nicaraguan system to patrol the border area, or to do it under the sponsorship of a multinational force. However, the United States continues to exert pressure and hinder those efforts.

Since this has not worked, we were compelled to go to the ICJ. We went to the lower court and we have now gone to the higher court, because we see all the efforts and resources are exhausted and the war continues. We still face the danger of the U.S. troops' invasion of our country, using Costa Rica and Honduras as springboards.

This will have fatal consequences for all the Central American Countries, because the war would not be restricted to Nicaragua; it would ignite all of Central America.

Foreseeing these dangers; thinking about the security of the Costa Rican people themselves, thinking about the security of the Honduran people themselves, and thinking about the security of all the Central American people, we prefer a peaceful solution. We prefer going to the ICJ to seek a peaceful solution and not a military solution. We are not interested in a military solution; we are not even interested in a military victory. We prefer a negotiated and peaceful solution.

Thus, the Costa Rican and Hondruan cases are now in the ICJ's hands, and this has been used as a pretext by Costa Rica, Honduras, and El Salvador. They now say that they do not want to participate in the negotiations with Contadora as long as Nicaragua fails to withdraw its lawsuit at the ICJ. This position is totally absurd. Where does this leave all the laws in the world? What about respect for judicial order? What about the responsibility of the Central American leaders for our respective nations, for the entire Central American region, Latin America, and the world? What about this responsibility if we act in an irresponsible way and are not capable of firmly countering the U.S. Government's blackmailing policies?

The U.S. Government will adopt reprisals against Costa Rica and Honduras if these nations decide to seek a negotiated solution with Nicaragua within the Contadora Group's framework. The U.S. Government may adopt economic reprisals or launch political defamation campaigns as it has done against other Latin American countries, but the U.S. Government cannot fight forever with all the Central American governments. In any case, it is a temporary aberration and the Central American leaders should be courageous enough to oppose U.S. policy and achieve peace.

The United States does not like peace. We already know that. However, peace is necessary and vital for the Central American people. Therefore, what is more important here? To please the United States even though it decrees economic sanctions against Honduras and Costa Rica, or to safeguard the Honduran and Costa Rican people's security? It is quite clear that the Central American leaders' responsibility is to safeguard their people's security; consequently, the situation demands an honest and courageous attitude from the Costa Rican and Honduran presidents. They must tell the U.S. President: Look, mister, we can be your friends and allies, but you cannot ask us to commit suicide. That is what Reagan is asking the Costa Rican and Honduran leaders; he is asking them to commit suicide with this type of policy. We hope -- and we will never lose this hope -- that the Central American people's actions will compel the Central American leaders to reflect.

We hope this reflection will come soon, because the longer we take, the greater the cost will be for all our peoples. We cannot afford to overlook that the danger is latent; the danger of an invasion and the danger of a direct U.S. action against Nicaragua is latent and can explode at any given time.

That is why the situation demands urgent actions on our part to revitalize dialogue within the framework of the Contadora and Lima Groups. Nicaragua is ready to meet at any time and place to discuss peace with Central American government representatives.

Nicaragua is ready to meet in Costa Rica, Honduras, El Salvador, or any other place to discuss the problem of peace.

We advocate an independent position; we defend this independent position. It is a nonaligned position. We defend our self-determiniation and sovereignty and that is why we act without fear; we are willing to defend peace at all costs.

We believe it is important to make these reflections on occasion of this meeting, because undoubtedly, we cannot separate the work and efforts in the health field, the efforts to upgrade social welfare from the struggle to achieve peace. That is the great struggle being waged here in Nicaragua, that is being waged in Central America, that is being waged in Latin America, because Latin America is struggling to achieve peace. This comes at a time when our peoples and the Latin American governments agree on the need to defend the independence, self-determination, and sovereignty of our nations. This is an essential ingredient of the labors for peace in Latin America and to ensure better conditions for health and social welfare.

We agree with each other when we are aware that economic problems at the international level, in our international relations, in North-South relations -- that is within the framework of international economic relations that are totally unjust -- we Latin Americans are aware of the debt problem. Latin American governments are aware of the protectionist measures. We are aware that as long as those serious problems in our economy are not resolved and as long as the genuine bases for the real development of our countries are not established, peace will continue to be denied to our peoples.

Latin Americans are aware that as long as the sovereignty of our nations is assaulted, attacked, and hurt as in the Malvinas, peace in Latin America is in danger. Therefore, we cannot separate our struggle to achieve self-determination, independence, sovereignty, and a new international economic order; we cannot separate these aspects from the struggle for peace.

During these meetings in Managua, representatives of Latin American countries have been debating a topic that is closely linked to the peace efforts being waged today by Latin American countries; it is linked with the peace aspirations of the Latin American peoples and the peace objectives of the Latin American governments.

This is a topic that is closely linked we said, because we know well that to the extent that the self-determination of our peoples is respected; to the extent that just and equitable economic, trade, and financial relationships are established; to that extent will each and every one of our countries enjoy better conditions; we will have more funds to upgrade the health and social welfare of our peoples.

We want to mention our concerns, which are shared from different angles and from different political and ideological positions by Latin American political forces, political parties, and governments. They are concerns that force us to work more decisively and more firmly in favor of peace. We can assure you, representatives of Latin American governments, that Nicaragua is determined to continue working in favor of peace, self-determination, indpendence, and a new international economic order. In this way, Nicaragua will be working for the health and social welfare of our peoples in Latin America and the Caribbean. Thank you very much. [applause]

Ramirez Views Iran Arms Deal

PA210343 Madrid EFE in Spanish 2148 GMT 26 Nov 86

[Text] United Nations, 26 Nov (EFE) -- Nicaraguan Vice President Sergio Ramirez Mercado today said the scandal over the sale of weapons to Iran and its connection with the contras could help improve the relations between Nicaragua and the United States if the Congress stops all aid to the anti-Sandinist rebels.

"The time is appropriate for the relations between the United States and Nicaragua to change if the U.S. Congress adopts measures to halt all aid to the counterrevolutionary forces," Ramirez said.

The Nicaraguan vice president held a news conference at the UN headquarters following his meeting with UN Secretary General Javier Perez de Cuellar. This is the final leg of his 12-day private trip to the United States.

Ramirez said that the Iran-contra scandal could help his country "if this were a way to stop all aid to the counterrevolution and open the U.S. Congress' eyes to the fact that it cannot continue to get mixed up in illegal activities with a country with which the United States has diplomatic relations." If the scandal leads the United States "to respect" the ruling of the International Court of Justice [ICJ], "this would be good for Nicaragua," but not if it "only becomes a domestic scandal," the Nicaraguan vice president said.

On 27 June, the ICJ condemned the United States for training, arming, equipping, and financing the contras in violation of international laws. "We are not interested in President Reagan's discredit; this would do us no good," but we are interested in "specific steps that will bring peace to Nicaragua and end the aggression," Ramirez stated.

Ramirez said that all he knew about the Iran scandal was what he had read in the newspapers and that this would not harm the relations that Nicaragua has with that Arab country. Ramirez expressed his certainty regarding the fact that "Israel has been involved in activities that led to supporting the contras in Nicaragua." Israel admitted that it acted as mediator in the operation with Iran but denied that it received money or participated in monetary transactions with the contras.

Regarding this matter, Ramirez said that in the past few years, the U.S. Administration has been "violating international and U.S. laws" and referred to the specific case of the ICJ. "All violations of international law lead to the violation of domestic law," Ramirez added.

Ramirez said he did not know how the Iranian money had reached the contras, but added that it is "very clear" in the past few years, the leaders of the anti-Sandinist rebels have been "very well-received" at the White House.

The Nicaraguan vice president reiterated that his country supports the Contadora Group peacemaking efforts and wishes to negotiate a solution to the Central American crisis with the United States. Concerning that issue, Ramirez said that during his U.S. tour he did not contact any U.S. official but added that "I will wait" until Friday when I return to Managua.

Regarding Eugene Hasenfus, U.S. citizen tried and condemned in Nicaragua, Ramirez said his government is open to try and find a solution but "we have yet not chosen the opportunity to resolve the case." Eugene Hasenfus is a U.S. aviator who was captured in Nicaragua and sentenced to 30 years in prison. His plane was shot down by a Sandinist missile while delivering supplies to the contras.

UNO Official Views Issue

TA270910 Tel Aviv MA'ARIV in Hebrew 27 Nov 86 pp 1, 2

[Report on interview with UNO spokesman Javier Arguelo by Washington correspondent 'Ofra Yeshu 'a-lyth in Washington on 26 November]

[Text] "If we really received money from Israel, which I believe, then we feel proud about it. Israel is a country we admire and respect, a democratic country we would like to emulate."

The man who said this, Javier Arguelo, is the contact man for the Washington-based UNO office, which is the umbrella organization for the three major Nicaraguan rebel organizations.

Arguelo expressed the wish that neither he nor his comrades be called "contras": "We are not fighting against (contra) the revolution in Nicaragua; we support the revolution, which has turned cancerous under Ortega's rule. I myself was a Sandinist up until 4 years ago. But they turned Nicaragua into a dictatorship, with one party, in the Soviet style, which enforces a totalitarian rule. It is not for this that we overthrew Somoza."

Interviewed by MA'ARIV in Washington yesterday, Arguelo said he believes Israel should feel solidarity toward the struggle of the Nicaraguan rebels.

His reason: "The Sandinist government which we are fighting against receives support from all of Israel's enemies: the PLO, Libya, and the Soviet Union. The PLO ambassador to Managua is a respected and influential figure. For us, receiving assistance via Israel is an honor."

He claimed the Sandinists are also using funds that come from an international drug ring.

The rebel organizations maintain they have no knowledge about the receipt of money through Iran, Israel, or Saudi Arabia. "I believe what U.S. Attorney General Ed Meese said," Arguelo said diplomatically, "like everyone else, we, too, were quite confused after yesterday's statements."

UNO is expected to receive money from the U.S. government. The organizations united in it, particularly the FDN, headed by Adolfo Calero, are also supported by private individuals.

Arguelo added: "We get aid from the United States too, and that is a democracy. Of course, if mistakes were made here, or if laws were broken, this grieves us. Lieutenant Colonel Oliver North (who was dismissed from his White House position 2 days ago because of the Iranian connection affair) was a very good friend of ours, and we are deeply grateful to him.

However, we understand that if he broke the U.S. law, he must be punished. In a democratic regime, every minor error comes under scrutiny and is criticized. Our enemies are supported by the Soviet Union and Libya, where no one asks any questions about money transfers."

Answering a question on how he would explain the fact that even a country like Saudi Arabia, which is not at all democratic, volunteers to funnel money to his organization, he replied: "I do not know if this is true, but it is known that the Saudis strongly oppose communism."

ASTORGA REPORTS U.S. SHIPS POISED FOR 'CONFLICT'

PA270346 Managua Domestic Service in Spanish 2300 GMT 26 Nov 86

[Text] Today, Nicaragua informed UN Secretary General Javier Perez de Cuellar that there is a concentration of U.S. naval forces off the Atlantic Coast.

In a letter to Perez de Cuellar, Companera Nora Astorga, Nicaragua's ambassador to the United Nations, stated that on 19 November those naval forces were less than 100 km off Puerto Cabezas. She added that the artillery in those vessels is capable of reaching Nicaragua. Also, she said that up until the end of the month [as heardd], a concentration of war vessels has been permanently located in waters east of Bluefields and Puerto Cabezas.

The Nicaraguan mission warned that these actions represent preliminary stages of new and greater aggression against Nicaragua as Washington is seeking an excuse to provoke a conflict.

HONDURAN TROOPS DENY EPS INCURSION ALONG BORDER

PA262041 Managua Domestic Service in Spanish 1800 GMT 26 Nov 86

[Text] Tegucigalpa -- Honduran residents of El Paraiso Department have reported that the Somozist mercenaries are increasingly taking over Honduran territory, especially in that area. They report that the situation in eastern Honduras is dramatic because the inhabitants must flee to safe areas because of the constant movement of the Somozists, who have caused fear and anxiety among the population.

Meanwhile, the Honduran troops stationed in the areas of Cifuentes and Las Trojes have reported that at no time have EPS troops entered Honduran territory.

BRIEFS

POLISH WORKERS' DONATION -- Polish industrial workers have sent a donation worth approximately $2 million to the Nicaraguan people. The donation includes 470 tons of food products, approximately 37 tons of fishing tools, clothing, shoes, machinery, and spare parts for crop dusting planes. Polish Ambassador to Nicaragua Mieczyslaw Rysinski delivered the donation, which was received by Jose Angel Buitrago, the Nicaraguan deputy minister of foreign cooperation. [Summary] [Managua BARRICADA in Spanish 11 Nov 86 p 1 PA]

REAGAN CREDIBILITY ON 'SPIRALING DESCENT'

FL261315 Havana Radio Progreso Network in Spanish 1200 GMT 26 Nov 86

[Excerpt] During the past few hours, the personal credibility of U.S. President Ronald Reagan has continued its spiraling descent upon the revelation of new elements in the mammoth scandal surrounding the secret supply of weapons to Iran.

The situation was complicated for the White House chief when Attorney General Edwin Meese revealed that the $30 million Iran paid the United States for the secret supply of weapons was deposited by the CIA in special Swiss bank accounts belonging to leaders of the Nicaraguan counterrevolutionary bands. Meese added that Lieutenant Colonel Oliver North, the second most-important member in the National Security Council, was in charge of the operations. North, as well as his immediate supervisor [National Security Adviser] John Poindexter, were immediately fired by Reagan in an attempt to avoid greater problems. [passage omitted]

Reagan's 'Watergate' Worsens

FL261906 Havana Tele-Rebelde Network in Spanish 1324 GMT 26 Nov 86

[Gonzalez Martin international commentary]

[Excerpts] We are going to talk about what is being called Reagan's Watergate. Reagan's Watergate began 21 days ago when it was reported that the United States had sold weapons to Iran. There had been some speculation about this several months earlier even though it was denied by the U.S. Government.

The final blow to the U.S. President's current credibility crisis has been the information made available within the last few hours on the financing of anti-Sandinist counterrevolutionaries with money obtained from the sale of these weapons. [passage omitted] After the U.S. President seemed to assume total responsibility and supposedly gave complete information on the operation, the leader said he was not informed and was unaware that the money from the sale of these weapons was given to the anti-Sandinist counterrevolutionary bands, and that this was done at a time when such aid was prohibited in the United States; Congress had not even approved the $100 million in aid to the contras.

Naturally, this worsened Reagan's credibility crisis. It will be very difficult for him to convince public opinion -- domestic as well as foreign -- that he did not know about the financing of the counerrevolutionary bands -- bands which he has publicly defended and supported in the United States.

In our opinion, the problem is just beginning. The investigation will go deeper. I believe it will be conducted by the Justice Department. [passage omitted] Unforunately for Reagan, this crisis has begun with officials who are directly linked to him, his most intimate collaborators, and it will not be very difficult to implicate him. [passage omitted]

U.S. Foreign Policy Deficient

PA262220 Havana International Service in Spanish 0000 GMT 26 Nov 86

["Viewpoint" read by Angel Hernandez]

[Text] Like a political bomb that has plunged President Reagan into the worst crisis of his career, the sale of weapons to Iran in exchange for that country's mediation for the release of U.S. hostages in Lebanon promises more headaches for the White House. As the days pass, more details further complicating Reagan's situation surface. Reagan is facing a Congress controlled by the Democrats, a press that criticizes him, and public opinion that does not believe what he says. His credibility affected as never before, Reagan finds himself facing a problem situation that, according to a group of California friends and his own wife Nancy Reagan, he must overcome by admitting that he made a mistake when he authorized the sale of war materiel to Tehran leading him to make some changes among his closest collaborators. In this manner the President would come forth as a President who acted in good faith and who was ill-counseled by his advisers. By doing this, the damage to President Reagan's prestige would be somewhat decreased.

Among those chosen to become scapegoats, ultimately responsible for the undercover operation, we find Rear Admiral John M. Poindexter, national security adviser, who has just resigned from his office, and White House chief of staff Donald Regan. Those who want to protect President Reagan are also asking for George Shultz' head. From the beginning, Shultz pretended he knew nothing of Washington's secret contacts with Tehran but now, the Israeli newspaper HA'ARETZ, quoting high-ranking Tel Aviv authorities, has stated that the U.S. official was aware of the weapons sale. It was [words indistinct] who told the Arab foreign ministers that the United States(?had boycotted) the supply of weapons to [word indistinct]. This is the best example fo the nature of the U.S. foreign policy.

As we can see, the web becomes further entangled and new aspects that worsen the crisis continue to appear. We could mention an article published by NEWSWEEK stating that the cost of the weapons sent to Iran was between $50 and $100 million. This is much more than the $12 million that congressional leaders are speaking of following the report given by CIA Director William Casey.

The avalanche of criticism that followed the disclosure of the White House's secret operation increases as these little details are learned. Well-known people, who until now had tried to refrain from publicly expressing their disagreement with the President's actions -- such as William Crowe, chairman of the Joint Chiefs of Staff -- further heighten tension by expressing their views regarding Reagan. The negotiations with Iran have created differences, problems, discussions, and even possible removals within the White House staff. At the national level, the scandal has been large, and abroad U.S. allies like Egypt and Jordan have expressed their disagreement with the U.S. actions.

Above all, the chaotic climate that marks the course of the recent events in Washington brings out the differences, mistakes, and deficiencies of a foreign policy based on coup de theatre, misinformation campaigns, and diplomatic lies. We must recall the offensives against Libya and Syria, the dirty war against Nicaragua, and the deliberate confusion created around the Reykjavik summit. These incidents are proof of the way the United States behaves toward the world. The sale of weapons to Iran [words indistinct] since 1969 makes many people remember the Watergate incident.

'Snowball' of Iran 'Scandal'

PA270446 Havana International Service in Spanish 0000 GMT 27 Nov 86

["Note" read by Norberto Hernandez]

[Text] The scandal surrounding the illegal sale of weapons to Iran by the United States, which has attracted worldwide attention, is growing in the same manner that a snowball grows as it rolls down a hill. It is not our intention to analyze this annoying affair, but to mention some equally shady issues.

On Tuesday, U.S. Attorney General Edwin Meese held a news conference and announced that some of the money paid by Iran for the U.S. weapons ended up in the hands of none other than the Nicaraguan counterrevolutionary bands. Meese said that between $10 and $30 million were transferred to [word indistinct] bank accounts by the mediators involved in the sale of weapons to Iran. One of the mediators was Israel, a country with a long history of intervention in Central America. As on other occasions, the U.S. President has raised his voice to claim his innocence. However, this is not surprising. What is surprising is the fact that the U.S. Government has openly admitted that it helps the former Somozist bands.

It would be good to ask how much longer the Nicaraguan rebels will continue to receive money and how much longer the U.S. Government plans to finance that endless pit that has only defeats to show. At this moment, everyone is denying all knowledge of the situation; even the Israeli Embassy in Washington is acting surprised although it is known that it received part of the money from this operation. [sentence as heard] However, everything is very clear. On Tuesday, in Managua, Nicaraguan President Daniel Ortega said that the Reagan administration is violating international and U.S. laws when it channels to the counterrevolutionaries the money from the sale of weapons to Iran. All this proves that illegality has become the U.S. President's way of ruling.

UN ENVOY ON U.S. CHARGE ON RIGHTS VIOLATIONS

FL270208 Havana Television Service in Spanish 0100 GMT 27 Nov 86

[Text] Today Cuba questioned the credibility of the U.S. Administration and asserted that its state policies are based on lies. Speaking at the [UN] Social, Humanitarian and Cultural Affairs Committee, Cuban Ambassador Oscar Oramas Oliva said his country could not remain indifferent to numerous problems existing in the United States because they are flagrant violations of human rights, dignity, and man's universal rights.

Oramas Oliva talked about the statements made to the committee by U.S. Permanent Representative Vernon Walters, who referred to alleged violations of human rights and basic freedoms in Cuba. The Cuban ambassador said Walter's remarks were lies and slanders and noted various violations taking place in U.S. society that reaffirm the lack of a government policy protecting U.S. citizens' human rights.

Oramas: U.S. 'Hands Stained'

FL271330 Havana Radio Progreso Network in Spanish 1200 GMT 27 Nov 86

[Text] Oscar Oramas, Cuban ambassador to the United Nations, has given a sharp response to Vernon Walters, U.S. representative to the United Nations, who tried to blame Cuba for so-called human rights violations in our country. Oramas said Walters' statements are false and stressed that those who have their hands stained with the blood of Angolans, Vietnamese, and Nicaraguans, defend apartheid, and go from one scandal to another with a shameful and ridiculous international policy cannot speak about human rights.

Oramas on Draft Resolution

PA270357 Havana International Service in Spanish 0000 GMT 27 Nov 86

[Interview with Oscar Oramas, Cuban ambassador to the United Nations, by Nersuro Heredia; date and place not given -- recorded]

[Text] [Heredia] Ambassador, the United States presented before the UN General Assembly a draft resolution regarding alleged reports on Cuban human rights violation. In your view, what is the United States trying to achieve with those lies?

[Oramas] I believe that the draft resolution presented by the United States is nothing more than an infamous provocation that has been repudiated by many of my colleagues at the United Nations. I also believe that if there is a country that respects human rights, where there is a genuine human rights policy -- which is in keeping with our revolution, ideology, and philosophy -- that country is Cuba.

The United States is the least qualified to talk about human rights. For example, the United States would have much to explain regarding the genocide carried out against the Indian population in U.S. territory. It would have much explaining to do about the violation of human rights of the black minority there. A worsening in the quality of life of the Puerto Rican people, who are experiencing high unemployment, disease, crime, drug addiction, and other social problems, is also a violation of human rights. This is the result of the U.S. occupation policy in that country. [sentence as heard]

CABRISAS MEETS WITH ARGENTINE HEALTH MINISTER

FL271520 Havana Tele-Rebelde Network in Spanish 1300 GMT 27 Nov 86

[Text] Buenos Aires -- Ricardo Cabrisas, Cuban foreign trade minister, and Conrado Storani, Argentine public health and social action minister, have analyzed eventual joint production of medications. Cuban-Argentine technological personnel would produce antibiotics, which would primarily be exported to third countries, and supply interferon, an area in which Cuba has advanced.

HAITI

CONSTITUENT ASSEMBLY MEETS TO DRAFT CONSTITUTION

FL271400 Bonaire Trans World Radio in English 1130 GMT 27 Nov 86

[Text] The constituent assembly in Haiti has been meeting since Monday [24 November] -- to discuss drafting a new constitution. In Port-au-Prince, drafters of the new constitution favor the elimination of the concept of a president for life as was established during the government of Francois Duvalier. There would be a 5-year term for each elected president. The other main change would be the established of Creole as well as French as the country's official languages.

NEW POLITICAL 'HAITIAN PARTY OF GOD' ANNOUNCED

PA271545 Paris AFP in Spanish 0246 GMT 27 Nov 86

[Text] Port-au-Prince, 26 Nov (AFP) -- A new political party called the Haitian Party of God [Partido Haitiano de Dios] has been created in Haiti, Reverend Richard Vladimir Jeanty, the president and founder of this party, said in Port-au-Prince today.

In a communique, Jeanty said that the party's acronym, Parhadi, had been changed to Paradis to eradicate the "h" of "haine" (which means hatred in French) from the country, and add the final "s" of "saintete" (which means sanctity in French). "God will give us the reins of power on 7 February 1988" (the date of the inauguration of the next Haitian president), but "God could do it earlier with or without elections, if Satan continues to manifest himself," Reverend Jeanty added.

BOUTERSE DISCUSSES BRUNSWIJK, 'DEMOCRATIZATION'

PA270327 Paris AFP in Spanish 0231 GMT 26 Nov 86

[By "special envoy" Edouard Pons]

[Text] Paramaribo, 25 Nov (AFP) -- Today Commander Desire Bouterse, the head of the revolutionary regime, said that the guerrillas operating in eastern Suriname do not constitute a serious threat and that he plans to continue with the democratization of the country. In an interview granted to the foreign media during a reception at the palace to mark the 11th anniversary of independence, Commander Bouterse stated that if "the terrorists and criminals" controlling part of the country "were not supported from abroad, by the Netherlands in particular, the problem would have been solved in a few days."

Bouterse also noted that the rebels' offensive would not keep him from completing, in accord with an established timetable, the process of democratization begun 2 years ago. Moreover, the offensive will not cause him to substantially reinforce the Army's capabilities. "I have had plenty of opportunities to use these events to change the political program. However, they will not make me forsake the outlined plan. I will respect the agreements signed with the political parties," he said.

Commander Bouterse, who assumed power through a coup d'etat in February 1980, began the process of democratization by installing in January 1985 an assembly which has 31 deputies. The assembly is in charge of drafting a new constitution, which must be ratified in a referendum next year. In July, he installed a civilian government in which the three traditional parties, the labor unions, and the private sector are represented. It was about that time that a guerrilla movement appeared in the eastern part of the country. The guerrillas are led by Ronnie Brunswijk, a [former] member of Bouterse's guard. With the help of white mercenaries and Surinamese groups in the Netherlands -- the former colonial power -- the guerrillas have managed to gain control of part of the country and to isolate the capital in a matter of months.

"These are not just guerrillas," Commander Bouterse said. He estimated that the enemy forces consist of 200 men. "They are terrorists. Guerrillas do not burn schools or hospitals, or rape women and children," he added. However, Bouterse acknowledged that the struggle is difficult, since it is taking place in a virgin forest (which covers 90 percent of the country) and because "it requires many sacrifices on the part of the soldiers." Commander Bouterse seems to be calm, something that cannot always be said of political circles of this capital, and much less of the people. "I have had some problems and I have resolved them," Bouterse stated.

Bouterse is also not concerned about the damage the rebels are causing to the economic infrastructure. "The worst part is that they want to break the unity of the people and the nation. The foreign power groups seek to stir up animosity among the diverse ethnic groups (which are numerous in Suriname), especially between the Creoles from the cities and the blacks from the rural areas," he remarked.

Brunswijk belongs to the "Bush negroes" community -- that is, blacks living in the virgin forest who were mistreated during the colonial era. They have maintained a strong rebel tradition. Commander Bouterse does not plan to allot more than 8 percent of the present budget to the Army "despite the annoyance of certain officers who would like more," he added. He said: "I try to use the national income for the economic development of the country. My idea is to do everything possible for production."

According to sources, the Surinamese Army has about 2,000 to 3,000 men, 300 of whom are professional soldiers. The Army has four Britten-Norman planes which are small transport aircraft, some Brazilian-built Cascavel tanks, and six patrol boats. Next week Suriname will acquire a U.S.-made Bell helicopter.

RAMDAT-MISIER OPTIMISTIC OVER 'NEW SOCIAL ORDER'

FL262144 Paramaribo International Service in Spanish 1720 GMT 26 Nov 86

[Text] We have every reason to see our future optimistically. These were the words of Suriname's Acting President Ramdat-Misier in a speech yesterday to mark the country's 11th anniversary of independence. The acting president said that Suriname will have to experience a certain growth, but he added this growth must not be allowed to be consumed by its side effects. The acting president also stressed that the new social order will be radically implemented despite the situation in the country. He expressed the hope that the 12th anniversary of Suriname's independence will have in stored peace for this country and the rest of the world.

GOVERNMENT TROOPS FIGHT TO REGAIN ALBINA

FL272053 Bridgetown CANA in English 2033 GMT 27 Nov 86

[Text] Paramaribo, Suriname, Nov 27, CANA -- Heavy fighting was reported today in Albina, as Suriname Government troops battled rebels to regain control of the captured resort town, about 90 miles east of here near the border with French Guiana.

The official Suriname News Agency (SNA), quoting military sources, said the rebels sought cover in houses and other buildings during the bombardment, and some of the buildings were set on fire. There was no word on Army or rebel casualties.

The escalating four-month-old insurgency, seeking the ouster of the six-year-old military government and a return to parliamentary democracy, intensified attacks on economic targets over the past weeks, causing millions of dollars in damage. Led by Ronnie Brunswijk, one-time bodyguard to military strongman Desi Bouterse, the rebels have shut down a bauxite mine, burned down three palm oil plantations and a lumber mill, blown up bridges, and disrupted traffic inflows from the capital Paramaribo.

Meanwhile reports coming out of French Guiana indicate that close to 2,000 residents of Albina had sought refuge there, come complaining of army atrocities against the local bush negro population. One refugee said soldiers had executed some residents because they were suspected of giving support to the rebels.

Prime Minister Pretaap Radhakishun met with media bosses earlier this week and urged that they exercise the greatest prudence in reporting the conflict. He said he was making the appeal for restraint in a move to ensure that no harm was done to the Army's strategies. The situation in the country is no normal one, Radhakishun said. It is even extremely abnormal.

In the circumstances, military strategic matters should be placed above civil strategic matters, he said. The prime minister also announced that the director of the People's Mobilization Department of the Home Affairs Ministry, Lieutenant Laurens Neede, would begin a series of once weekly briefings to bring the media up to date on developments in the battle zone.

Army Said To Burn Own Garrison

PA262239 Paris AFP in Spanish 0043 GMT 26 Nov 86

[Excerpt] Saint Laurent de Maroni, French Guiana, 25 Nov (AFP) -- The Surinamese Army, which is being harassed by the guerrillas, has apparently been forced to bomb and burn one of its two main military garrisons in Albina, a city on the French Guiana border. Several shots were heard at 1700 local time (1900 GMT) and dense smoke was seen from French Guiana 1 hour later. According to Henk Van Randwyk, former master sergeant in the Surinamese Army, "the city was bombed with mortars and cannons from one of the two Navy boats guarding Albina's beach."

Nevertheless, no official confirmation was available. Between 200 and 400 government soldiers are still entrenched in Albina, but all the civilians have been evacuated, according to a spokesman of the "jungle commando," a rebel group led by Ronnie Brunswijk, President Desi Bouterse's staunch rival. [passage omitted]

GANG REPORTEDLY COULD SOON SEIZE PARAMARIBO

FL252315 Bridgetown CANA in English 2229 GMT 26 Nov 86

[Text] The Hague, Nov 25, CANA -- Rebels fighting to overthrow Suriname's military government could take over the capital Paramaribo before Christmas, sources said here. The forecast was made by two British mercenaries who fought with the Ronnie Brunswijk guerrilla group in the former Dutch colony. They returned here after being expelled from French Guiana.

The mercenaries said the Brunswijk Group was getting stronger every day. One urged military strongman Desi Bouterse, head of the military junta, to flee Suriname before it is too late. The people have suffered enough, he said.

Brunswijk, a former Bouterse bodyguard, has captured the eastern resort town of Albina and has stepped up attacks on military and economic targets as his band pushes towards the capital. The military seized power in Suriname in a 1980 coup. Brunswijk said his objective is to force a return to elected rule.

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ALFONSIN ANNOUNCES ECONOMIC REORGANIZATION PLAN

PY290211 Buenos Aires Domestic Service in Spanish 0000 GMT 29 Nov 86

[Excerpts] Good evening. Today I want to talk to you to explain a subject that I am sure is as important to you as it is to me. We must develop a policy to restructure the state apparatus.

When we launched our economic reform plan in June 1985, I was able to point out the clear relationship between economic reorganization and state reform -- that is, because what really is a growth policy and the debureaucratization of the public sector.

The truth is that over time, authoritarianism on the one hand and political favoritism on the other overloaded th public sector not only with responsibilities but also with a large number of workers. In this manner, effective production was deprived of good minds and labor. Many posts were created. They had to be justified, which caused disorganization and hindered national development with all sorts of bureaucratic obstacles.

There is no doubt that under current circumstances, the country is emerging from a phase in which past economic policies promoted speculation. This speculation dismantled the nation's productive apparatus.

In order to reverse that phase, we have sought deep changes and new answers to structural problems. Today there is no doubt that we are on the right path, just as there is no doubt that the progress we have achieved is due to all of you. [passage omitted]

We can refer to our achievements in the financial field. We have curbed the fiscal deficit, which had reached approximately 15 percent of our GDP, but which will probably be only 3 percent of our GDP by the end of this year. This means that the country has made an effort that has yielded results: inflation has fallen noticeably, and we are far from the dangers of hyperinflation. The unemployment rate has also fallen. There is more work in Argentina, and we can be optimistic because we are on the right path. We are on the way to becoming the country we are capable of becoming. [passage omitted]

This morning I had the pleasure of meeting with the leadership of the General Confederation of Labor [CGT]. This too is very important for the country, not only for the workers but also for democracy. I have said many times that modern democracy in any part of the world needs the drive and support of organized labor. I am convinced that we are going to start a new dialogue that will undoubtedly have its difficult phases and sometimes might lead us to the brink of conflicts. But it will be a dialogue of the Argentine people's democracy, a democracy that all of us together will strengthen gradually. In other words, we now face the need to provide another type of response. I would say it is virtually the duty of the government to pay a debt, a debt that it owes to the people, who are acting in the service if democracy and who, with effort, are consolidating the economic growth processes. We must now make the same effort to channel into production the great pools of unproductive labor which during the past few years have been centralized in the state bureaucracy. We are all aware that one of the most negative results of this is inefficiency, which is due mainly to the artificial multiplication of positions, with which some have sought to justify excess workers in the state apparatus. This hinders productivty, not only because it imposes costs, which sometimes are unbearable, but also because it conditions its own development of exhausting, often senseless paperwork.

Therefore, the efforts in which we are engaged, this effort in which the country is engaged for the construction of a democracy that will be stable and modern and includes the participation of all sectors, cannot be divorced from a particular effort to overcome the inefficiency and irrationality of the public sector. There is no growth without rationality. There is no social justice without efficiency, and our struggle for these two objectives, we must carry out a drastic and deep-rooted reorganization of the public sector. [passage omitted]

We are going to adopt immediate measures in three sectors with the purpose of achieving the objective we are pursuing and begin paying the debt the state owes to the Argentine people. The first measure will be to reorganize the state-owned production and service enterprises; second, the public administration salary and employment guidelines; and third, the social security system. These reforms seek to overcome the confusion regarding state functions.

We will establish a clear difference between the design of policies at the ministerial level and the design of entrepreneurial policies at the management level. To this end, we will create an interministerial committee made up of the minister of public works and services and the economy minister. The committee will cordinate the sectorial plans with the general economic policy. We also create a holding of state-run companies, which will reorganize the companies seeking to achieve economic efficiency and operational autonomy. [passage omitted]

As I was saying, we are also going to deal with the public administration through a package of measures, which consists of reorganizing the salary scale for the public sector. It is quite obvious that during the course of this year we faced a series of problems in this sector. Demands, justified demands, have been made because public sector salaries are low. Therefore, we must seek solutions that will not entail an increase of expenditures, which in turn will cause inflation. It is public knowledge that we have chosen not to solve our problems by issuing currency, hyperinflation, deceit, and regression, because inflation most affects the lower-income sectors. Therefore, we seek formulas that reduce public-sector expenditures. We want to reduce public sector personnel. I want to make it clear that we are not going to dismiss anyone. As you will see, this reduction will be achieved through voluntary retirement, but always seeking to grant equitable and fair compensation. The necessary time will also be taken in this process which seeks to balance and rearrange the wage scales as well as to reorganize the public sector by modifying the administrative structure. We envision a 3-year program divided into 2 phases, within which a progressive 33-percent increase will be granted to the lower echelons. The various scales will be revised with the elimination of the great differences that currently exist between equal categories at the same level in different ministries. This, of course, does not include across-the-board increases, which will continue to be granted in keeping with the development of the economy and the level of prices. This is an extra increase that will, above all, help the most neglected sectors but will aslo allow a substantial wage increase for the others in the organizational pyramid.

Moreover, we intend to tackle the reorganization of structures, to establish mechanisms for voluntary retirement with clear incentives through an adequate compensation system, and a reassignment of functions to make the public sector more efficient.

Regarding the social security system: It is no news to you that it is in a very serious situation and requires urgent attention, mainly for the sake of solidarity. The state has the duty to find the resources with which to fulfill the basic needs to this social program.

We have decided to declare the national social security system in a state of emergency. That is, we have decided to publicly report the condition it is in. Aware of the hardships suffered by retired people, the government has adopted several measures to ease their situation.

As part of this emergency program, we agreed today with the General Economic Confederation Secretariat [as heard] to delay passing a far-reaching reform project in order to discuss it with the workers and retired people themselves. However, as part of this emergency program, we have decided to establish a new formula with which to calculate pensions, a new formula that will improve significantly the pensions paid to retired people. The retired workers' pensions, which have deteriorated, will increase considerably, from 40 to 80 percent over currrent amounts.

Therefore, on 1 January 1987, the new pensions and retirement allowances will receive an increase which, as I have said, will be considerable for medium-income workers. during the next year, pensions and allowances will increase by almost 80 percent for nearly 50 percent of the retired workers.

We have decided to correct a situation that is unjustifiable. There are still homes in which elderly people do not receive any benefits from the social security system. This is why, beginning next year, all people over 70 who have 10 or more years of effective residence in the country, even if they are not Argentines, will benefit from the allowances offered by the National Institute of Retired Workers and Pensioners, the PAMI (Comprehensive Medical Assistance Plan], as long as they are not covered by another social security system.

We started by taking a very important step forward, which I dare say is gigantic, to establish the national health insurance system. We are convinced that the country needs this national health insurance system, and we hope that we will soon reach an agreement with the organized labor sector to hasten the debate over the corresponding bill in Congress.

Within this same spirit, we will create a special family bonus for those who are covered under the social security system. In this manner we will increase the benefits of retired workers and pensioners regardless of their allowances and of the retirement fund to which they belong.

The government is aware of the challenge that this reform entails. In the past, other governments have tried to achieve the same objective, but they failed. We know that the people's judgment of our work will depend on the determination with which we undertake it, rather than on the fact that we have put forward an original initiative.

We do not renege on our own responsibilities, and we believe everyone must participate in this task. We want you to check our actions, to start wondering whether the government has too many employees or whether it is employing unnecessary people. I am sure that if we all help we will move ahead. Join us in this effort, too.

Democracy is a system that can bring out the people's energy and resourcefulness to successfully implement a change that can no longer be delayed. This is the beginning of a path on which we will travel together because most of our achievements in this field will result in a better standard of living for every Argentine citizen. We still have much to do to rationalize the administration. The transfer of the federal capital, if Congress approves it, will be very important. It will be like a trigger project that will ultimately implement the overall administrative rationalization project. Then, the government will function better, the people will fare better.

Thus, we will be able to implement and to conclude a number of activities that will enable us, as I like to put it, to build the country we know we deserve. I want to thank you in advance for this new effort. Let no one in the administration fear. We are not implementing a policy of dismissals. Public employees themselves will be better off, will feel more respected, and will have better salaries. Through the efforts of all public servants we can show the nation what democracy can achieve, that is, all that we can achieve when we make a joint effort. Good night.

Opposition, Labor Leaders Reply

PY301845 Buenos Aires BUENOS AIRES HERALD in English 30 Nov 86 p 15

[Text] (NA-DYN) -- The rationalization programme announced by President Raul Alfonsin on Friday night met with overall favourable comments from leaders of the ruling Radical party yesterday, but with cool to heated reaction from the opposition and from labour leaders.

Peronist economist Jorge Dominguez said Alfonsin's speech was unrealistic and only reflected a large share of good will while Manuel Mora y Araujo of the Democratic Centre Union (UCeDe) said instead of setting up a holding company of state enterprises the government should put each of them in order first.

Luis Zamora, a leader of the Movement Towards Socialism (MAS), said the proposed plan was not a development plan and only meant a tightening of the belt to pay the foreign debt, while UCeDe Deputy Federico Clerici said the speech was a "poor presentation of a poor proposal."

Eduardo Curia, also a Peronist economic linked to technical groups of the General Labour Confederation, said the programme showed that "the management of the state will continue to depend on the political authorities ahead of concrete instruments in the matter of investment which is the crux of production."

Christian Democrat leader Carlos Auyero said the speech did not indicate "which are the social ends and the development model to which the state should adapt the rational use of its resources."

Peronist congressional candidate Carlos Ruckauf said the speech showed "the hand of the International Monetary Fund (IMF) and its adjustment policies."

Ramon Baldassini, leader of the postal workers union, said the programme would not correct distortions and instead would cause a new heightening of social tensions and unrest in the families of the workers. Martin Vieytez, a leader of the Association of Pensioners, played down Alfonsin's announcements on improvements for pensioners and said the "unfulfilled promises of the President have caused our sector its greatest damage."

SARNEY DEFENDS CRUZADO PLAN, VOWS TO KEEP ORDER

PY302300 Brasilia Domestic Service in Portuguese 2100 GMT 28 Nov 86

[Text] President Sarney has asked the people not allow the destruction of the Cruzado Plan. He explained the reasons the government had to adopt the newest economic measures and condemned the recent demonstrations that disrupted order and violated the law.

Speaking during the program "Chatting on the Radio" carried by the BRAZILIAN NEWS AGENCY, Sarney stated that he will not fail to comply with his duty:

[Begin Sarney recording] The government respects the right to dissent as long as it is expressed within the law and respects order. Because it is my duty to preserve peace, I cannot tolerate any abuse of the right to dissent. Speaking at the Latin American Industrial Congress yesterday, I said that there is only one thing the Brazilian president cannot do, and that is fail to comply with his duties. I will not fail. [end recording]

President Sarney once again outlined the achievements of the Cruzado Plan, and the pressures of speculators and radical leaders that ultimately jeopardized the plan.

[Begin Sarney recording] Although we managed to overcome a great deal of pressure, the Cruzado Plan suffered the consequences of lack of production and investment, which resulted in speculation and a shortage of items and stimulated the action of speculators. Another major threat to the Cruzado Plan thus emerged. Therefore, we had to increase prices to discourage a rising demand for items that were not available. If we let the demand for certain items increase when their production does not increase accordingly, then what in fact we would be doing is throwing our money into the hands of the speculators who are causing these problems. [end recording]

Sarney explained the reasons for adopting some specific measures.

[Begin Sarney recording] Even after the recent price increase, the price of gasoline in Brazil remains one of the lowest in the world. We increased the price of gasoline so we would not have to increase the price of diesel oil and cooking gas, because increasing the prices of these items would have had an impact on bus fares and on the budget of low-income sectors.

The increase in electricity rates has not affected low-income sectors. We also refrained from increasing the price of wheat, because this would have affected the price of bread consumed by the have-nots.

We refused to implement the compulsory loan proposal, because it would have affected all those people falling within a given income category. We also refrained from increasing the income tax because it would have affected the same group of people. Although it has been said that we are against the middle class, we have decided to spare the middle class from having to shoulder the cumpulsory loan and the income tax increase. [end recording]

Sarney made it clear that the government does not take sides because it is committed to serving the whole nation. He noted, however, that his government assigns priority to the most needy sectors.

[Begin Sarney recording] Those having larger resources, those in a better economic situation, those who claim to be defending the workers and who are earning high salaries are precisely the ones who are trying to destroy the Cruzado Plan. They are seeking to undermine our confidence in the plan as an instrument to address our economic problems. No corrective economic action or national development can be achieved without at least a minimum of sacrifice.

The Cruzado Plan is, therefore, intended to help the have-nots. Those of you who are among the low-income sectors know that the recent measures have not taken anything away from you. The wealthier sectors cannot refuse to help. It is difficult for them today to help low-income sectors. But, it would be much more difficult to live in a country that does not promote aid for the have-nots. [end recording]

DELEGATION'S CUBA VISIT PRODUCES NEW TRADE TIES

PY261627 Rio de Janeiro O GLOBO in Portuguese 20 Nov 86 p 34

[Text] Luiz Octavio Vieira, coordinator of the Foreign Trade Commission of the National Industry Confederation (CNI), said yesterday that the first visit of Brazilian businessmen to Cuba after the resumption of diplomatic relations has had positive results. Some business deals were transacted and, more importantly, there are prospects for business amounting to $200 million (about 2.8 billion cruzados). One third of this amount might be transacted during the first year of bilateral trade.

Luiz Vieira said he believes in the possibility of agreements with Cuba in the areas of biotechnology and computer science. The Cubans have made great progress in the production of interferon and they can transfer socialist computer technology to Brazil. They can manufacture displays, printers, and video screens with GDR technology.

Vieira reported that during this first trip, the Cubans bought 144 air conditioning units from the Consul Company, tubes and connections from the COFAP Company, textiles from Moinhos Santista Mills, carbide from the White Martins Company, and asbestos sheets. The Brazilian businessmen mainly bought textile and computer products.

In conclusion, Vieira said that the idea has been mentioned of studying the possibility of an agreement similar to ALADI.

Sardine Contract Finalized

PY221414 Brasilia Domestic Service in Portuguese 0900 GMT 22 Nov 86

[Excerpt] [Passage omitted] Beginning next week, a packing firm in Salvador will sell 2,000 tons of sardines imported from Cuba. This is the first deal between Brazilian and Cuban companies since the resumption of diplomatic relations between the two countries. The value of the contract is 14 million cruzados.

UNIVERSITY ELECTIONS MARKED BY POLARIZATION

PY270248 Madrid EFE in Spanish 1625 GMT 21 Nov 86

[By Senen Conejeros]

[Text] Santiago, 21 Nov (EFE) -- If the current situation holds, and if one were to make predictions based on the results of the recent elections, one would see a three-way political tie and a polarization toward the extremes.

According to political observers, this is what the results of the student elections held over the last few days indicate.

A notable gain by the right in some universities dominated by Marxist left-wing sectors, and the maintenance of a strong right-wing representation in other universities where the Marxist parties have more votes, indicates that the polarization process is under way.

The observers feel that that trend toward the extremes will increase as long as the centrists continue proving that they are unable to exert pressure through their proposals.

The political leaderships have already started to draw their conclusions based on the results of the elections, in which the different tickets won by narrow margins, thus giving rise to the three-way political tie that has been traditional over the past 30 years; the Marxist left wing, the centrists, and the right wing.

At the University of Chile, the Christian Democrats [PDC], joined by the center-left Socialist [PS] and the Humanists, won by a very narrow margin over the Marxist ticket, leaving the right in third place.

At the Chilean Catholic University, the right won over the PDC-PS and Humanist ticket, also by a narrow margin, leaving the Marxist parties in third place.

At Santiago University, the Marxist parties won, followed by the PDC, the PS, and the Humanists. The right ranked third.

At the University of Tarapaca, in northern Chile, victory went to the Popular Democratic Movement (MDP) the Marxists came in second, followed by the right, the PDC-PS and the Humanists.

For the local political leaders, the events at the Chilean universities are traditionally very important because, except for logical margins of error, they have always been a projection of what will happen in the country in the coming years.

A high-ranking opposition leader told EFE that the current trend is "worrisome" because "even though it is true that the budding alliance between Christian Democrats and center-left-wing Socialists seems to be the forerunner, the lack of the voters' inclination toward dialogue and peacemaking appears to be very strong."

A large number of socialists, who do not share the extreme Marxist positions of their fellow socialists who have remained together with the communists within the MDP, have joined the Christian Democrats in an alliance that, based on socialist and Christian humanism, tries to be a government option for the future.

This action broke the traditional Socialist-Communist alliance, thus thwarting the resurrection of the Popular Unity that ruled the country until 1973 under the leadership of late socialist president Salvador Allende.

However, according to certain observers, this step has not been fully understood by those in power, who cling to their dogmatic attitudes and prevent the masses from seeing moderate positions as effective solutions for the democratization of the country.

The winners in all this are the Marxist left, because it appears as a "feasible" option in view of the regime's inflexibility, and the right wing, as long as it displays its "independence" from the military regime, the observers say.

These sources added that the centrists therefore lose because their attitude favoring dialogue and nonviolence does not convince the Marxist left nor does it prompt the government to make any steps toward a political opening.

BRIEFS

ZOFRI USERS VISIT PRC -- ZOFRI [Iquique Free Trade Zone] Users Association President Gabriel Abusleme Alfaro has reported that a Chilean delegation has met with Foreign Ministry and trade office representatives and has visited Beijing, Canton, Shensi, special economic zones (free trade zones), and Hong Kong. [Excerpt] [Santiago EL MERCURIO in Spanish 3 Nov 86 p C6 PY]

SEVENTH REGION INTENDANT APPOINTED -- Colonel Jorge Silva has been appointed 7th Region Intendant. Col Silva will replace Colonel Patricio Varela Saldias. [Excerpt] [Santiago EL MERCURIO in Spanish 9 Nov 86 p C3 PY]

NEW NINTH REGION INTENDANT -- The commander of La Concepcion de Lautaro Regiment, Lieutenant Colonel Sergio Prado Lazo, has been appointed intendant of the Ninth Region. He will replace Brigadier General Miguel Espinoza Guzman, who has been appointed deputy commander of the Army Second Division headquartered in Santiago. [Excerpt] [Santiago EL MERCURIO in Spanish 3 Nov 86 p C4 PY]

THIRD QUARTER UNEMPLOYMENT RATE -- The nationwide average unemployment rate was 10.5 percent for the July-September quarter, only 0.1 percentage point less than the previously computed June-August 3-month period. These rates are calculated on the basis of the 1982 population and housing census. [Summary] [Santiago EL MERCURIO in Spanish 6 Nov 86 pp C1, C6 PY]

INFLATION RATE -- During a news conference, National Institute of Statistics (INE) Operations Deputy Director Luis Gatica reported that the cumulative inflation rate for the first 10 months of 1986 is 14 percent, and 17.3 percent for the past 12 months. [Excerpts] [Santiago EL MERCURIO in Spanish 6 Nov 86 pp A1, 10 PY]

STATE OF EMERGENCY EXTENDED IN 20 PROVINCES

PY010024 Paris AFP in Spanish 1632 GMT 30 Nov 86

[Text] Lima, 30 Nov (AFP) -- Today the Peruvian Government extended for 60 days the state of emergency, which suspends constitutional guarantees, in 20 provinces that have been shaken by terrorism during the past 6 years, it was officially reported. The respective decree states that the state of emergency, which places the affected provinces under the political-military rule of the Armed Forces, will continue to be in force in eight provinces of Ayacucho Department, the stronghold of the Shining Path guerrillas; in seven provinces of Huancavelica Department; and in one province of Apurimac Department,

The Maoist Shining Path guerrilla organization continues to wage an armed struggle through intermittent, unexpected actions in these provinces and in two provinces of Pasco Department, which were not included in today's decree. The Armed Forces Joint Command has reported, however, that the military forces have inflicted major defeats and casualties on the Shining Path terrorists in recent months.

In a communique, the Armed Forces Joint Command states that the government must continue to implement the necessary measures to restore public order in these provinces. The document adds that the reasons that prompted the declaration of the state of emergency in these provinces still persist.

Consequently, the following constitutional guarantees will continue to be suspended in these provinces: The right to be protected against trespassers, freedom of movement throughout the country, the right to assembly, and the right not to be arrested without a warrant.

The government of President Fernando Belaunde Terry decreed the state of emergency in the southeastern Andean region of Peru in January 1983 and established military command posts in the emergency zones in order to fight the guerrillas more effectively. By then, the guerrillas had declared several Ayacucho districts liberated zones.

Lima and its port on the Pacific, Callao, also have been shaken by acts of terrorism and have been under a state of emergency and a 0100-0500 (0600-1000 GMT) curfew since 7 March.

War Minister General Jorge Flores yesterday stated that the state of emergency should be maintained in the southeastern Andean region until all terrorist cells operating in the area are destroyed. Commenting on the decline in terrorist activities both in the Andean region and in Lima, Gen Flores told the press that this decline to a large extent stemmed from the state of emergency and from the arrest of important Shining Path and MRTA [Tupac Amaru Revolutionary Movement] leaders.

It has been reported by sources of the Antiterrorist Directorate that many members of the Shining Path hit squad have abandoned the metropolitan committee in view of their failure to implement the subversive actions planned for the 9 November municipal elections. However, the directorate sources did not elaborate on this report.

COSTA RICA

UNIVERSIDAD BLAMES CIA FOR 'WARLIKE CLIMATE'

PA291736 Managua Domestic Service in Spanish 1200 GMT 29 Nov 86

[Text] San Jose -- The Costa Rican weekly UNIVERSIDAD has blamed the CIA for the warlike climate that exists against Nicaragua. In this morning's edition, the weekly states that the Costa Rican commercial media has allied itself with the Nicaraguan counterrevolutionaries, with whom the media maintains close economic and propaganda links. It said that an intense anti-Nicaraguan campaign going on in Honduras and Costa Rica is being sponsored by the CIA and the contras, who practically control the most influential newspapers in the two countries.

UNIVERSIDAD agreed with the latest reports published in the U.S. magazine COMMON CAUSE MAGAZINE [name in English], according to which the headquarters for anti-Nicaraguan propaganda are in Tegucigalpa and San Jose, the capitals of two nations constantly listed as allies of the White House.

Regarding the Costa Rican media, Carlos A. Morales, director of UNIVERSIDAD, says both the Nicaraguan contras and the CIA have increased their connections with the three most important San Jose papers, LA NACION, LA REPUBLICA, and PRENSA LIBRE. In the lengthy report published by the weekly, Morales points out that he believes the CIA financed the purchase of a powerful radio station called Radio Impacto, whose broadcasts are aimed against Nicaragua.

LA NACION and LA REPUBLICA publish a weekly supplement that is prepared by the contra groups accredited to San Jose, and Radio Impacto rebroadcasts each night anti-Nicaraguan radio programs broadcast in Honduras.

RIVERA REJECTS SANDINIST BORDER PROPOSAL

PA281920 San Jose Radio Reloj in Spanish 1200 GMT 28 Nov 86

[Text] Deputy Foreign Minister Carlos Rivera has stated that the Sandinist proposal to establish a demilitarized zone on the border between the two countries is unacceptable. Although no such proposal has been officially presented to our government, Costa Rica could never accept a demilitarized zone such as the one suggested by reports with Managua sourcelines, the official said.

Costa Rica has always favored civil and diplomatic activities, and acceptance of a demilitarized zone in exchange for the withdrawal of a suit filed by the Nicaraguan Government would not be in line with its principles, Rivera said.

Regarding the Nicaraguan offer to withdraw the suit presented against Costa Rica at the ICJ, the deputy foreign minister said nothing will be done by Costa Rica in this regard. The suit was filed unilaterally by the Sandinist regime and we could never accept conditions to obtain a withdrawal that only the Nicaraguan Government can make, he said. The only thing Costa Rica is doing is preparing its response to the suit and acting in line with international law regarding the ICJ process, the official said.

GARRON DENIES PARTICIPATION IN CONDECA MEETING

PA270226 San Jose Radio Reloj in Spanish 1200 GMT 26 Nov 86

[Text] Costa Rican Public Security Minister Hernan Garron has said Costa Rica is not a member of Condeca [Central American Defense Council] and is not participating in the meetings the group is holding in Panama. Garron said no Costa Rican delegate was sent to the meetings, and Costa Rica is not participating as an observer as some reports have stated.

Public Security Minister Garron said Costa Rica may appoint someone to attend the meetings as an observer. The observer would be a Costa Rican citizen and would attend Condeca's meeting scheduled to be held in Guatemala early next year. The Guatemala meeting is to study the possibilities of creating a permanent Condeca group in Guatemala. Public Security Minister Garron said the appointment of the Costa Rican delegate is still pending.

BRIEFS

NEW COLON DEVALUATION -- The Central Bank's Board of Directors decreed the 16th devaluation of the colon in 1986. Beginning yesterday, the exchange rate to the dollar stands at 57.90 colones for purchases and 58.65 colones for sales. This new mini-devaluation is for 35 centimos. The issuing institute continues to implement periodical and small variations in the exchange rate. [Excerpt] [San Jose Radio Reloj in Spanish 1200 GMT 21 Nov 86 PA]

EL SALVADOR

DUARTE ADDRESSES UNGA ON NATION'S PROBLEMS

PA260237 San Salvador Domestic Service in Spanish 1529 GMT 25 Nov 86

[Speech by Salvadoran President Jose Napoleon Duarte to the UN General Assembly in New York -- live, broadcast in progress]

[Text] ...reality after so many years of dictatorship. Last year, I also (?wanted) to come to the United Nations to present to the world the advances we have made in the process. I wanted to express to the world our desire for peace. However, I was unable to come due to the infamous kidnapping of my daughter, Ines Guadalupe, and from my country I issued a call to the international community for peace, common sense, and solidarity, I asked the international community to support my effort for a just and human solution to the kidnapping, and the response and support of the United Nations prompted my heartfelt appreciation.

Today, Mr President, many of these dreams from the standpoint of efforts and values have undeniably come true. This is even admitted by our harshest critics.

In our most recent history, my country has suffered three disasters. There have been three disasters that have afflicted my people, increasing their misery and suffering. We can compare these three catastrophes to some biblical events and call them three plagues that have afflicted and are afflicting El Salvador. The first is the war. The second is the economic situation resulting from the international trade situation. The third is the recent earthquake. The earthquake inflicted social and economic damage greater than the other two tragedies combined.

The destruction caused by 7 years of war and economic crisis cannot be compared to the damage caused by 7 seconds of the 10 October earthquake.

Indeed, there is much to be done in all the aspects of Salvadorans' national life. However, the will of the people and the government remains unshaken, and we are determined to continue despite all the difficulties we may encounter along the way. For that reason, Mr President, today I am honored to address this august assembly to comment on the enormous problems and pressing needs my people are now facing along the path toward the rehabilitation and reconstruction of our capital city, which was devastated by the 10 October earthquake.

My presence here, friends, fundamentally reflects the clamoring of all the people who have placed their hopes and trust in the unified aid the international community may offer to overcome the current problems afflicting our people. These problems constitute a serious threat to the final consolidation of democracy in El Salvador. The earthquake meant sacrifice for all Salvadorans. Those who had already lost a great deal and had little left lost everything. That is the true reflection of the tremendous problem facing us. The earthquake brought to the fore and made everyone feel the pverty, hunger, and suffering we are experiencing. Thousands of families who were living along the banks of rivers or along cliffs and whose situation went unnoticed at first glance came to light during those 6 [as heard] seconds filled with panic which disclosed our situation of sorrow and conditions of subhumann existence. The cataclysm shook all of us without exception. It shook our conscience. It shook our hearts and minds and sent forth a tremendous and urgent plea to the entire world. If you please, it made us more human and unified in our mourning and grief.

The earthquake has been the hardest test, but the people have responded to it with faith and hope. Mr President, the devastating earthquake that shook San Salvador killed more than 1,500 people, leaving them without [words indistinct]. Approximately 300,000 were left homeless and great damage was done to our people's material, historical, and cultural inheritance.

Property damage surpasses (?$2 billion), including damage to the installations and property of hospitals, schools, the productive sector, businesses, and public services. In effect, according to information supplied by the private sector, 85 to 90 percent of the industries in the capital were damaged by the earthquake, greatly affecting the country's economy and production capacity because the metropolitan area is the main center for the nation's economic activity.

Allow me to tell you that the earthquake destroyed the hospitals in the metropolitan region. Consequently, thousands of Salvadorans are being treated in tent hospitals. Minor and major surgeries are being performed under precarious conditions at these hospitals.

Regarding the education sector, 150 schools were damaged. This represents at least 1,500 classrooms.

It must also be mentioned that 90 percent of cultural facilities were damaged: Many libraries, museums, monuments, churches, theaters, and athletic installations were destroyed.

Regarding public services, it should be noted that more than 50 kilometers of the water lines which serve one third of the city were damaged without taking into account the other drainage and aqueduct systems because of the burdensome and difficult nature of such an investigation.

Regarding telecommunications, four telephone exchanges whose repair cost amounts to more than $26 million, were damaged.

In addition, electrical service was also affected. The damage is estimated at more than $20 million. The urban infrastructure and transportation were seriously affected because there are cracks in the streets, and there are damages in many areas which amount to more than $30 million, without counting the cost involved in street repair, demolition, debris removal, and clean-up operations.

Special mention must be made of the problems caused by the earthquake in the administrative work and various government agencies. Many public service buildings suffered heavy damage. The cost of damages in this sector is more than $50 million. This amount does not include the cost of transferring these offices to other buildings and the rent involved.

Damges to the productive and commercial sectors amount to $135 million, not taking into account the losses resulting from the stoppage of their activities, which are estimated at $71 million total. These figures may look small to some industrialized countries, but they are huge to El Salvador. They entail at least 25 percent of the gross national product.

This natural disaster increases and worsens the existing poverty and makes Salvadorans' living conditions even more precarious. It substantially reduces the capacity of the central government and the municipal governments to solve problems. It forces us to produce unforeseen emergency solutions and to draw up and carry out short and medium-term programs and measures that must be integrated into a new approach to national development.

All of the aforementioned is (?an emergency) for which we must find a solution without relying on our own resources. This is our tragedy, and the war and economic crisis enormously diminish our chances of meeting social demands. The earthquake places us today in the position of being totally unable to meet our needs.

Mr President, the earthquake has entailed a profound worsening of the living conditions of the Salvadoran people and a radical departure from the plans for economic and social development my government was pursuing. As you will understand, this picture obviously demands a reformulation and rescheduling of our plans and strategies for development, which must be geared toward objectives and goals that had not been provided for to rebuild El Salvador.

Mr President, these three catastrophes have been and are being stoically confronted by my people. Against the destruction of the prolonged popular war we are joining rank in solidarity for national reconstruction.

We are responding to the war, the violence, and death with my government's five major solutions, which are: humanization, which is an ethical-political imperative that molds and regulates our conduct in the social context; pacification, which is the Salvadorans' most cherished and loftiest ideal; democratization, because this process generates consensus, pluralism, and freedoms for man's complete fulfillment in society; participation, which is aimed at making individuals responsible for their rights and duties in the construction of the democratic society; and reactivation, to stimulate the national economy and deepen social reform.

In the context of these objectives, I again called this year for a continuation of the dialogue effort as a mechanism characteristic of a democratic system which would advance us on the path to peace through the triumph of reasoning, transformed into the political will to compromise. I firmly believe in a dialogue for peace and not in a dialogue for war. I have called the rebels on three different occasions to discuss peace, not war. The new political and democratic isntitutionality gaining strength in my country promotes this because its very essence is against the use of violence and favors political projects and debates among various sectors. Unfortunately, the rebels have not been sensible to these appeals, which faithfully reflect the sentiments and the historic needs of El Salvador today.

A strengthening of the democratic process under my country's peculiar conditions necessitates an intensive and imaginative effort, on which we will continue to insist until we strengthen it completely. One of the parts of this process is the incorporation of the rebel groups into democratic life through a serious, sincere, and realistic dialogue within the established constitutional framework which would allow us to attain peaceful solutions, end the bloodshed among Salvadorans, and strenthen unity to achieve national reconstruction.

(?This is so) because we feel that dialogue is the only appropriate method in a democracy. Negotiating democracy itself is unacceptable, but [word indistinct] it in its application and safeguard its course. We would be making a grave historic mistake if we were to cut short the progress we have already achieved or worse yet if we regressed to the past. Today more than ever, our guiding philosophy is to continue to pursue the process of the country's transformation. This makes it possible to enjoy full and effective democracy with due respect and protection for human rights, which are basic and fundamental in my government's policy. We should also strengthen structural measures that enable the country's citizens to enjoy a dignified life, overcoming the causes of the conflict that has cost so much blood.

Within this context, my government cannot help but praise the efforts of the Un secretary general and the OAS to help conclude an overall peace and security agreement in our region by continuing the efforts of the Contadora Group. This work coincides with the official position of my government, which from the beginning of the Contadora Group's efforts, proposed and obtained the consensus of the member-countries that the Central American problem should be settled on a global, simultaneous, multilteral, and regional basis. Naturally, the overall agreements adopted (?prior to) Contadora's efforts must be verifiable. [sentence as heard] This objective is outlined in the Contadora draft document for peace and cooperation in Central America which the Contadora and the Lima Groups presented to our government on 6 June in Panama.

El Salvador resolutely supports the offer the gentlemen secretaries general [not further identified] have sent to our government. We understand that [words indistinct] at the stage that would begin with the entry into force of the Contadora Document. It is encouraging to note that this concept clearly means the gentlemen secretaries general have realized the urgent need to continue dialogue and negotiation at a regional level. To do so, in light of a global agreement, it is urgent to eliminate the obstacles to the resumption of the peace process. especially those which are by nature geared toward a sectorial solution, which is at odds with the pluralistic negotiation and dialogue.

I would like to digress from this topic because I know that in a few minutes the debate on the Malvinas will begin. I must state that El Salvador supports Argentina's position regarding the Malvinas and agrees that the debate concerning the islands' sovereignty should be resolved through negotiations that acknowledge Argentina's legitimate rights.

My President, my government feels that the secretaries, by advocating the preservation of the distance [as heard] the Salvadorans desire, are aware of our desire to conclude the as yet unfinished process. I say unfinished because the stumbling blocks that prevent its completion have not been eradicated. We therefore applaud the decision made by both secretaries general to unite -- despite their personal opinions -- with the Central American community, thereby underlining the need to remove the obstacles I have always pointed out in favor of peace, democracy, pluralism, development, and Central American security.

Regarding the economic catastrophe burdening us -- which has exhausted the solutions we have come up with -- the peasant, trade union, and business sectors, as well as my government, have made bold efforts to reactivate our economy. We have attempted to devise an economic system, based on a concept of true social justice, that will serve everyone. The government is aware that the internal structural disorders in the developing countries are determined to a large extent by persistently unjust international economic relations. When one adds to the overall picture the high interest rates imposed by the foreign debt, the panorama is one of increased levels of dependence by our countries on the world centers. The situation in those centers contributes very significantly to the instability of our economies. This is reflected simultaneously in our increasing socio-political instability, which in addition to lowering our peoples' standard of living, militates against the strengthening of democratic processes.

Many countries have now implemented maximum adjustment processes at a high social cost; productivity levels have declined creating an imbalance between our expenses and our income. That combination makes stabilization and economic recovery difficult. In response to this situation, Mr President, it is imperative that North-South cooperation increase. This cooperation should be founded on justice -- social and international justice -- and should be characterized by greater flexibility on the part of the developed economies. Such a situation will, in turn, contribute to the strengthening of structural changes in our countries and the creation of conditions of political, economic, and social stability rather than the contrary. [applause]

In keeping with these ideas and the decision to continue promoting the structural reforms implemented in my country, we are currently concentrating on agrarian reform and fulfilling the precepts contained in the political constitution. Through an irrevocable historical mandate of the Salvadoran people, we will decisively consolidate these reforms when the third and final phase of this process goes into effect in the next few months.

Mr President, in response to the natural catastrophe caused by the earthquake on 10 October, government action has developed in an intense and orderly manner throughout the various sectors of Salvadoran society, which joined their efforts to bring aid and relief to the thousands of victims. The earthquake has been a sort of lens that has allowed us a broader and deeper view of our people's drama. El Salvador will succeed, thanks to the collective effort made by all sectors, which have put aside their differences at this time and concerted their efforts to face the crisis burdening us. I must stress, in honor of the responsibility and civic-mindedness demonstrated by our people, that there was not a single serious case of disorder or looting. We have had no epidemics or any other type of general infections, thanks to the efforts made by all Salvadorans.

It is important to mention the devotion and honesty and the desire to serve their fellow men demonstrated by the different sectors and service institutions: the private sector, the unions, the peasants, the universities, the Army, public and municipal employees, workers, professional associations, and various trade unions. The solidarity of these groups was added to the humanitarian aid of the Red Cross and other organizations, service clubs, and churches in the effort to ease the suffering of the Salvadoran people.

This united effort has unequivocally underscored the authentic values that characterize a just, pluralist,. participatory, solid and egalitarian society where altruism prevails over selfishness, humbleness prevails over arrogance, friendship prevails over hate, and unity prevails over misunderstanding. El Salvador will always maintain this guideline because tragedies are also historical lessons that help us confirm fraternity and strengthen the humanitarian spirit of cooperation. Within this context, I want to underscore that El Salvador could not have effectively and efficiently faced this emergency without international aid and cooperation; the tragedy exceeded my country's capacity and resources to protect and help the earthquake victims. Likewise, it is appropriate to mention the adoption of the Emergency Aid for El Salvador resolution that was approved by this General Assembly on 17 October and allowed the international community to state its sorrow and recognize the extent of the disaster. The resolution urged all states to generously contribute to the efforts to bring aid and rescue the people in the affected areas. The UN resolution asked the secretary general to mobilize resources and contribute to the rescue and reconstruction tasks the Salvadoran Government had begun, coordinate the multilateral assistance, and -- upon consultations with my government -- determine short- and long-term emergency needs.

I also wish to thank -- on behalf of my people and government -- the most recent resolution concerning aid to El Salvador, which was approved on 19 October by the UN General Assembly and reasserts by consensus the appeal for solidarity and support for peace and the reconstruction in San Salvador. The same resolution urges the international community to continue its efforts for my country's development in general.

The appeal specifically issued for humanitarian aid -- particularly from the UN Development Program [UNDP], Unicef, FAO, and WHO -- is praiseworthy and very encouraging. Consequently, I want to take advantage of the occasion to tell you that I have come here to reassert my most sincere and heartfelt gratitude, and to renew the gratitude of the Salvadoran people and government to the countries [corrects himself] to all the countries represented here and those countries which -- without distinction of creed, ideology, or concept -- immediately sent aid to our country. We are also grateful to government and non-government organizations and private associations that are contributing in one way or another to alleviate the Salvadoran people's suffering with the aid they altruistically gave and continue to give us.

My government also wishes to state its recognition for the valuable cooperation the United Nations continuously gives my country through the local UNDP office in San Salvador, above all, for the continuous efforts recently exerted with other regional organizations like the ECLA due to the earthquake's aftereffects. This is what has brought me to this lofty universal podium to present a report on the damages and the needs for reconstruction.

Mr President, even though we have managed to solve the first phase of our national emergency, including immediate attention to the earthquake victims, we are still in the process of implementing the second phase, which is destined to permanently satisfy the victims' vital needs. This process involves thousands upon thousands of Salvadorans who live in the streets, covered by a mere sheet of plastic. We intend to implement plans to rehabilitate and rebuild the city of San Salvador. These last two phases represent the greatest and most dramatic challenge for my nation because, despite our firm will and stoic attitude in the face of the problem, we are compelled to seek international solidarity and cooperation. Thus, I dare to issue an appeal to all the governments and organizations represented in this high forum, that they offer us all the possible aid to begin this difficult, long, and humanitarian work -- within the framework of noble and extremely important resolutions that have been approved by the General Assembly resolutions I have mentioned with our everlasting gratitude.

Mr President, I wish to mention that any eventual international aid -- both bilateral and multilateral -- that we receive to begin our national rehabilitation and reconstruction will be handled by the presidency of the Republic with the cooperation of all our national sectors. Consequently, we have chosen to handle the earthquake crisis in the clearest way, exerting our best efforts to serve the most needy, most humble, and poorest sectors. As an example of our honesty in handling whatever aid the world has offered us, I can assert that I told our cabinet members they could not spend a single cent, they could not squander a single grain of corn, because everything was for the poor. I told them: We must first help the people. The government will serve the people from among the rubble.

Mr President, I present to you these documents, which I have brought with me. These documents not only include our plans and the general evaluation of the damage and our reconstruction possibilities, but also include the documents issued by international accounting firms, such as the (?Arthur Jones) firm. These accounting firms carried out a detailed survey of all the donations and each shipment flown in to our country.

Every item donated by the different countries is included in these documents, and you will be able to verify how these donations were distributed and who received them.

Mr President, among these documents you will also find the audited report, audited by the same international firms, on the money we have received to date. Our domestic and international donations barely amount to $2 million. This report itemizes each of these donations. Let the world know, and the Salvadoran people can rest assured, that the Salvadoran Government will use every dollar and every item donated to help those Salvadorans who truly need this aid; to help those Salvadorans buried in the rubble [as heard], those who lived on the banks of rivers and creeks, those who lived in the slums, those who were constantly hungry. Today we have seen all these people, and the Salvadoran people have become aware of the misery endured by our people. [sentence as heard]

Mr President, I present you with the audited documents of each donation received and distributed, with love and fraternal respect, among our people.

Mr President, delegates, the people and government of El Salvador have placed their faith and hope in the help and cooperation the international community may offer. We are sure the aid will be generous and abundant. Added to the efforts of my people, this aid will greatly help the process of national reconstruction we are carrying out. This will allow democracy in El Salvador to advance with strength and help us face the difficult times ahead.

Hope and solidarity are important elements to overcome the crises destiny has in store for the people. No democracy is weak if, when it needs it the most, it has the unselfish and humanitarian aid of the international community. My people and government have faith in you, in the UN.

Mr President, delegates, El Salvador is holding its own. Your help and cooperation represent the difference between short-term weakness and recovery with faith and hope in the future.

Thank you. [applause]

GUATEMALA

CEREZO STATES NICARAGUA MAY REJOIN CONDECA

PA271204 Panama City ACAN in Spanish 0200 GMT 27 Nov 86

[Text] Guatemala City, 26 Nov (ACAN-EFE) -- Guatemalan President Vinicio Cerezo told ACAN-EFE today "Nicaragua can participate in the Central American Defense Council if it wishes." The president said the Condeca meeting held in Panama over the weekend "was held without Nicaragua because it did not show up."

Condeca, with headquarters in Guatemala, was created at the suggestion of Nicaraguan dictator Anastasio Somoza in 1963. Its current members are the Armies of Guatemala, Honduras, El Salvador, and Panama.

"It was Nicaragua's own decision to stop participating in this regional organization after the triumph of the Sandinist revolution in 1979," President Cerezo explained as he walked toward his office. But "if they (the Sandinists) express a desire to participate, it will be studied and most surely approved," Cerezo said after adding that "Condeca exists, and all we are trying to do is reactivate it."

The Christian Democratic president said Guatemalan Defense Minister General Jaime Hernandez Mendez attended the meeting in Panama "because he was authorized to do so."

The meeting of top military representatives, except those of Nicaragua, was held "at the invitation of Panama to analyze the possibility of reactivating the organization, but no definite decision has been adopted," Cerezo said.

President Cerezo said, "Guatemala is willing to participate in any organization already existing at the Central American level." He added, "Panama suggested the transfer of the organization's headquarters to that country, but this has not been analyzed; it is simply a suggestion."

According to Costa Rican Public Security Minister Hernan Garfon, whose countries does not have an army, as of next year, Costa Rica will participate as an "observer" within Condeca. Costa Rica was invited to join the organization as an observer by the Guatemalan defense minister during the recent meeting in Panama. Guatemalan Defense Minister General Hernandez Mendez currently heads the organization.

Condeca was created for a joint defense, by the six Central American countries, against an extracontinental military aggression. It stopped functioning following the 1969 war between Honduras and El Salvador and was reactivated a few years later. Condeca has remained inactive since 1979 when Nicaragua withdrew from the organization following the triumph of the revolution. However, according to General Hernandez Mendez, Guatemala is interested in reactivating the organization.

"Condeca was founded more than 20 years ago. Therefore it exists; the organization has not broken up, it only needs to be reactivated," Cerezo stressed. Likewise, the Guatemala president reaffirmed that Guatemala "maintains its policy of active neutrality in the Central American conflict."

Regarding a possible change in this policy as announced by Army spokesman Juan Fernando Cifuentes, the Guatemalan president said "there is no international policy in the world that cannot be replaced if it is found to be inconvenient."

"For the time being, the active neutrality will be maintained and will continue to be maintained for a long time, if there is no direct aggression from another country against ours," Cerezo added. Cerezo said that "if an aggression against Guatemala occurs, something which is not expected, then neutrality would be set aside. But I can state that the policy is firm and that the Army supports it."

CEREZO SEES REFUGEE REPATRIATION STARTING 1987

PA262329 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 26 Nov 86

[Excerpt] The UN High Commissioner for Refugees [UNHCR] met today with Guatemalan President Vinicio Cerezo at the National Palace.

[Begin recording] [Cerezo] We discussed the refugees and the programs that may be implemented next year. We agreed on many issues, on the voluntary return of the refugees, and that the process should be relatively slow so we can improve our existing situation to be able to offer them better living conditions.

[Speaker] Did you set dates for their return?

[Cerezo] We have not yet established dates, but we believe that by the beginning of next year we could initiate a program that would begin with an investigation of the refugees' attitudes and their desire to return. [passage omitted] [end recording]

HONDURAS

SANDINIST TROOPS REPORTEDLY ENTER COUNTRY

PA281950 Tegucigalpa Voz de Honduras Network in Spanish 1800 GMT 27 Nov 86

[Text] Honduran people: EPS troops reportedly have entered 8 km inside Honduran territory. There was bitter fighting from 1900 yesterday until today at 0300. There is an unconfirmed report that a Honduran soldier was killed. We have more details on this from our correspondent, Luis Alberto Montana:

[Begin Montana recording] Pedro Antonio Nalva, a resident of Capire, has said that the Sandinists have entered 8 km into Honduras. Hundreds of persons who have arrived from Capire have said that yesterday EPS troops entered 8 km into Honduran areas known as Espanol Grande and Espanolito. However, their objectives were frustrated by the Honduran army. The clashes between the Sandinists and the Honduran Army lasted approximately 8 hours: they began at 1900 yesterday and ended today at 0300.

Meanwhile, there is a report, which has not been confirmed by the military authorities of El Paraiso Department, that states that another Honduran soldier died at dawn at the Las Trojes and Cifuentes area as a result of a clash at the border. This was also reported by Pedro Antonio Nalva.

Meanwhile, reliable sources have told this radio station that while Hondurans are leaving the area of conflict Nicaraguans are seeking refuge in Honduras. Now there are 117 Nicaraguans at Las Trojes waiting to be transported to Danli, from where they will be taken to the refugee camps in Los Guasimos, Jacaleapa, and Teotecacinte to join the refugees already there. [end recording]

ARMED FORCES CHIEF CONFIRMS CONTRA PRESENCE

PA292218 Buenos Aires REUTER in Spanish 1737 GMT 29 Nov 86

[Text] Tegucigalpa, 29 Nov (REUTER) -- General Humberto Regalado Hernandez, chief of the Honduran Armed Forces, today confirmed the presence of Nicaraguan rebels in Honduras. This is the first time the military leadership has publicly admitted the presence in Honduras of anti-Sandinist guerrillas financed by Washington.

Regalado said Friday: "Here we have 'contras' who oppose the democratic system in El Salvador, 'contras' who oppose the Sandinists, and even 'contras' who oppose the Honduran Government." Regalado was being interviewed by local reporters on Honduran-Nicaraguan relations.

So far, the Honduran military leaders had refused to publicly admit the permanent existence of anti-Sandinists in Honduran territory, and President Jose Azcona Hoyo still maintains the rebels "enter and leave" the country but that they are not permitted to stay permanently.

Honduras, the second poorest nation in Latin America after Haiti, is the principal U.S. ally in conflict-ridden Central America and serves as a base of operations for 12,000 - 15,000 rebels who have been trying to overthrow the Nicaraguan Government since 1982.

Regalado Hernandez said "fear exists in Central America" due to the expansionist strategy of the "Nicaraguan communist system." He added that the strategy of the clandestine Honduran Communist Party is based on "the bad reputation caused by the contras, the departure of U.S. troops, and the matter of human rights, which in turn destroys the reputation of the Armed Forces."

PARTY LEADERS DISCUSS CENTRAL AMERICA CONFLICT

PA281811 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 27 Nov 86

[Text] [Announcer] Efrain Diaz Arrivillaga [president of the Honduran Christian Democratic Party National Directorate] has said the United States will become concerned about Honduras when there is communism in our territory. Carlos Roberto Reina [leader of the Liberal Party of Honduras] says that Honduras cannot compromise its sovereignty, honor, and dignity, because they are priceless. This was Reina's reaction to the announcement that neither Honduras nor Central America will benefit from the $300 million in U.S. assistance.

[Begin recording] [Reina] Honduras must not compromise its sovereignty or status as a sovereign nation in a conflict in which the main protagonists are President Reagan and his government, and the Sandinist government. I think this matter of the $300 million is a consequence of the serious crisis that President Reagan's administration is currently experiencing. His plan to assist rapidly the counterrevolutionary forces and to stop a conflagration in Central America have failed.

That is why I believe the basic situation is to keep military forces out of Central America. Honduras' dignity and honor are priceless. The situation is becoming more and more difficult every day but the deadlines are being shortened. I feel 10 January should be the deadline for a war threat to cause hanging over Central America.

[Unidentified reporter] Do you think this $300 million did not reach our country because of negligence on the part of the authorities or because Guatemala's proposal was not serious?

[Reina] Guatemala's proposal, which is the Esquipulas proposal, should have strong backing. The Central American parliament is a venue to engage in dialogue and to reconcile Central American decisions. In my opinion, the first step in connection with the crisis in Central America should be finding a reliable venue to engage in dialogue and [words indistinct] could also talk with the Contadora Group and the Support Group. This sequence of the Central America parliament and the Contadora and Support Group is, in my opinion, the best means to stave off a military confrontation in Central America. The other details -- such as whether or not there has been negligence -- are unimportant because, to me, the only assistance Honduras can receive is cooperation without any political strings attached. To compromise the country politically means undermining its sovereignty and, in the end, damaging its image and the dignity of its policy. [end recording]

[Announcer] You will now listen to Diaz' statements in his own words:

[Begin recording[[Diaz] I think the current developments in Central America, especially in Honduras, result from the position of our country, which I think is completely mistaken. We have become the country that does the dirty work for the United States. We have allowed our territory to be used without [words indistinct] in exchange from the United States. I have never felt that the United States regards Honduras, or Central America for that matter, as an ally or a partner. Instead, we have always played a subordinate role in U.S. policy, and U.S. policy priorities are determined by its own interests rather than those of Honduras.

[Words indistinct] only confirms this -- that its main concern is the assistance to the Nicaraugan counterrevolutionaries and not our country's interests insofar as its development is concerned. I think this is a lesson we Hondurans must learn. As long as we Hondurans do not devise a policy on Central America that will look more after our interests and really seek more independence, we will be [passage omitted]. [end recording]

[Announcer] It has been said that no one can ignore a regional conflict. Lopez Contrera [Honduran foreign minister] told "This Very Day" that he agrees with the contras carrying out their warlike actions in their own territory.

[Begin recording] [Second reporter] The media have reported worldwide that violence has grown and that this may result in war Central America. What is your opinion about this?

[Lopez] Yes. There is obviously a possibility that the warlike activity will increase, but only inside some countries that are experiencing conflicts.

No one can ignore, no one can disassociate the increase in the activities of the Nicaraguan armed insurgent group from the financial support that Reagan granted them in the United States.

That somehow created an expectation of increased warlike activities in Central America. However, I would not limit myself to that. In other words, we feel the phenomenon should take place inside the various countries, but it should not necessarily imply an internal conflict; such a conflict does not have to occur and we do not wish that to happen. Honduras wishes to remain aside from internal conflicts [as heard].

Naturally, the geographical proximity imposes risks and damages on us. This is not a new situation; we suffered the same damages in 1978 and 1979 on the borders with Nicaragua and El Salvador. In other words, we pay a high price as a result of the rebel activities in those countries.

We have to take care of flows of Salvadoran and Nicaraguan refugees indefinitely. In addition, we have to suffer the consequences of the border-area armed clases, which harm the civilian population who constitute an important sector of our population.

[Reporter] Mr Foreign Minister, [words indistinct] the delivery of the $100 million for the Nicaraguan counterrevolutionaries. This would reduce the problems that Honduras is having in its congress regarding the entrance of contras in Honduran territory; or on the contrary, it would [words indistinct] because perhaps in that way they will not be able to continue the war [words indistinct] against the neighboring country.

[Lopez] Yes, Honduras' hope is precisely the people's love of a country that exists regardless of any political tendency or ideology. That sector is concerned about the counerrevolution [words indistinct] armed actions should be carried out in their own territory to avoid turning the neighboring countries into sanctuaries of their operations.

This is a very difficult situation with international relevance and is a permanent source of conflicts between the neighboring countries, especially when the rebels are searching for a sanctuary in the neighboring countries.

We experienced the same situation in 1978 and 1979. I would like to remind you that in 1979, Costa Rica convoked the OAS for a meeting of consultation to prevent a possible aggression from the government of Somoza, because he said the armed opposition, which is now the Sandinist regime in power, used Costa Rican territory to launch their attacks against the Nicaraguan Government. [end recording]

NICARAGUA

ORTEGA ADDRESSES NATION ON 'FACE THE PEOPLE'

PA292335 Managua Domestic Service in Spanish 1615 GMT 29 Nov 86

[Statements by Nicaraguan President Daniel Ortega Saavedra during a 'Face the People' program held in Somoto, northern Nicaraguan -- live]

[Excerpts] We bring greetings to the residents of Somoto and companeros who live in other areas. We see here companeros from San Jose de Cusmapa, Las Sabanas, (Puluka), La Laguna, and a delegation from Ocotal. Is the Ocotal delegation here? [A man is heard saying "yes"] Are there any representatives from Esteli? Yes, there is a delegation from Esteli and from the neighborhoods here in Somoto.

Companeros and brothers, first we wish to present our respectful greetings to the mothers of heroes and martyrs who are here with us today. There are mothers here who have suffered the loss of their sons, and we know that the sorrow endured by the Nicaraugan mothers is a sorrow that has resulted from U.S. Government aggression. However, beyond this sorrow is the strength, spirit, and morale of the mothers and people who wish to continue working and building; who wish to work for the welfare of the people despite the war. Despite the war we continue to work. [passage omitted]

The peoples who live along the border with Honduras are particularly heroic peoples. Since the triumph of revolution they have endured the constant pressures of U.S. aggression, the mercenary aggressions. The peoples who live along the border live on the front lines, the line of contention against the mercenary forces. The war has not reached Leon, Managua, Masaya, and Granada, because you are here holding back the mercenary forces, confronting them, and defeating them in the trenches of the front line.

It is true that the Managua, Masaya, and Leon youths, workers, students, rural and urban workers, technicians, and professional also come here to this area, to these towns to help defend the revolution. They not only help defend the revolution militarily but also in other ways. Thousands of youths have been deployed to the areas along the border, a few kilometers from here, mobilized within the Patriotic Military Service. These youths came from Managua, Masaya, Leon, Granada, Rivas, Chontales, and other areas of the country. However, there are also hundreds of technicians, teachers, health workers, agricultural technicians, technicians involved in the various areas of our country's production, who have come here to work by your side and help promote all the plans we must develop to improve the living conditions of the people.

It is not an easy situation. There is war and this land is not the best for cultivation or cattle raising. Great efforts must be made to product certain crops and to grow grazing pastures for our cattle. Despite the difficulties this is being accomplished, and we will continue to work in this area. We will continue to do it even with the enemy, the mercenary forces, in Honduras. They are in their camps, receiving money and weapons from President Reagan and military training from the U.S. Army. Despite all this, here, in this area, we continue to work. [passage omitted]

Many times we have talked about the struggle for life here in Somoto; we have talked about how the Nicaraguans can help. We must, because it is our duty to help; it is the duty of the Nicaraguans to help; it is our duty to work to produce, to build schools and health centers. It is our duty to work and produce henequen; it is our duty to pick up a rifle and defend the revolution, the right of the people to speak up, and to meet here and talk with their government. We are a government that is here to serve its people, a government led by the people. In the long run, it is the duty of the Nicaraguan people, of the companeros of Managua and other regions to come here and fight the mercenary forces. it is the duty of the Nicaraguans to send technicians to work and improve the community. This must be the duty of the Nicaraguans because if we, the Nicaraguans do not do it, then we would no longer be Nicaraguans.

We wish to recognize and stress the international solidarity we have received. A general recognition must be given to the international solidarity Nicaragua is receiving. Many countries have contributed generously to our country, but today we wish to mention the solidarity we have received from a people and city of the United states, Seattle. Seattle is a city in the State of Washington. A brotherhood between Managua and Seattle has been born. We have learned that a delegation from Seattle is here with us today. [applause] This delegation has not only worked in Managua but also here in Somoto. [applause] This is the true face of the United States. Reagan's face does not represent the face of the people of the United States. His face is the face of an impostor who became the representative of the U.S. people but who is working in an arbitrary, illegal, and brutal manner, committing barbaric actions in the name of the U.S. people, and thus marring the prestige of the U.S. people.

Reagan is not the U.S. people; the U.S. citizens who are here are the real U.S. people. [Words indistinct] people who love peace, a people who do not want war with Nicaragua, a people who do not agree with Reagan's policy against Nicaragua, a people demonstrating, in practical and specific ways, its solidarity with Nicaragua. They are not expressing their solidarity with words; they are doing it with actions and heroic actions. One of these heroic actions was the 48-day fast staged on the Capitol steps in Washington. The group of fasters was protesting the war in Nicaragua. Another specific action is the work being done by our North American companeros, our North American brothers, who come to Nicaragua and Somoto risking their own lives. They know that coming to Somoto involves certain risks because the mercenaries are close by, they could cross into Nicaragua and carry out some terrorist actions and murder citizens, as they did only recently when they killed a 1-year-old child. That is the kind of action carried out by Reagan's freedom champions. They murder 1-year-old children, women, and other people. What we have here with us is the real face of the North American people, the real heart of the North American people, not Reagan's face. Reagan does not have a heart. The North American people do, and their heart is here with us this morning. [passage omitted]

When we passed through Esteli, we saw what was once a truck. That truck was burned by the mercenaries, and this is proof of the terrorist actions of the U.S. Government. Our transportation is being destroyed just as they destroy health centers, schools, and endanger the lives of our people. Women, children, and old people are being murdered. That is the kind of situation we are experiencing.

However, and we said earlier in this program, despite these difficulties we continue to advance. Why? Because the people are determined to advance. This determination is supported by the international cooperation we receive. With their help, the money is put to better use. We do much here with the money we receive because we are a people determined to put this money to good use.

We all know who is to blame for the difficult situation endured in Nicaragua. Who approved the $100 million in aid to make war against Nicaragua? Where was it approved? Where? [people shout "the United States"] The U.S. Congress, the United States. Just imagine what our present situation would be -- at this moment, during this meeting, during this "Face the People" -- had the United States, when it approved the $100 million in aid in June -- if instead of approving it for the mercenaries to destroy the homes of the Nicarguans, kill the Nicaraguans, destroy their schools and transportation system, the United States had given the $100 million in aid to Nicaragua; for the Nicaraguan people; to improve the living conditions of the Nicaraguans. What would we be talking about today? We would be talking about how to distribute that $100 million.

What for? To resolve the problems our companeros have mentioned. To resolve our transportation problems; to improve or roads and schools. We would have had money available to resolve our water and electricity problems. But what happened? The United States is not interested in helping us. All it wants to do is finance the mercenary forces that come here to make war and destroy what we have built. Had we received that money in aid, we would not be faced with the problems of supplies. For example, in Managua, INAA [Nicaraguan Aqueducts and Sewers Institute] is having problems because it cannot get the supplies it needs. The spare parts INAA needs to repair its equipment are all U.S.-made, and we cannot get those parts due to the trade embargo. Therefore, we cannot buy those spare parts in the United States. We could not buy those spare parts even if we had the money to do so. So now we see that Managua's water supply is affected and not because the lake's water level has dropped but because of faulty equipment.

So we see a government that is bent on making war on Nicaragua; a government that seeks every possible way of making war on Nicaragua. A companero just handed me a piece of paper. Companero (?Russel) has asked me to explain what happened with the money given to contras after manipulating what apparently was a negotiation with Iran. This shows us how obsessed the President of the United States is in destroying schools and killing children in Nicaragua and destroying the transportation system that the Nicaraguan people have. He is doing all he can to get money to the mercenaries despite the ban ordered by the U.S. Congress. Apparently, what happened was that there was a process of negotiation with Iran -- despite all this we have good relations with Iran. We are not against negotiations. We favor negotiations. We are willing to negotiate with the United States and sit down and talk to President Reagan about all these problems and tell him we want peace. Then we see that President Reagan apparently -- because of all that has been said and the proof produced -- began a process of negotition with Iran. The United States delivered weapons to Israel, not the people of Israel but the Israeli Government -- a government that is an accomplice and serves U.S. policy and supports the Somozist dictatorship -- gave weapons to the Somozist dictatorship and now gives weapons to the mercenary forces.

The Israeli Government sold those weapons for more than they were worth. The Israeli Government acted as a speculator. It bought the weapons for a certain price and sold them for another. The surplus was given to the mercenary forces so they could continue their policy of terrorism against Nicaragua. Now it has been discovered in the United States that the President of the United States has been violating his country's laws. This does not surprise us. However, in the United States they raised a commotion because in the United States the press [3 minute break in reception].

Do you agree with the suggestion presented by the companera? [people applaud and shout "yes"] Of course, our morale is high. Despite all our difficulties and problems, our morale is high. We are living with the threat of invasion, but we continue to work. That will not stop us from working. If they invade us they are going to find trouble here; they are going to find trouble like they did when they tried to confront Sandino. The only difference is that they are going to find themselves facing a Sandino and a people who are better armed and trained to confront and defeat the invader. That is what they are going to find. Today we do not have the Sandino with his little rifle fighting in this land; today we have all the people, armed and ready to confront the invader should be arrive.

We want a peaceful solution; we want peace. We do not want war; we do not want to fight U.S. troops here; we do not want to fight the mercenaries; we want to fight against illiteracy and disease. We want to build schools and health centers for those 800 children in Santa Isabel who do not have classrooms. [passage omitted]

We are all equal; all nations have equal rights. Based on this, we are willing to negotiate peace with the United States. We want an end to bloodshed in Nicaragua; we do not want the North Americans to shed their blood here. Should an invasion occur they would be sent here to die just like they did with Hasenfus. [Words indistinct] all we did was fire on the aggressor. If they would have stayed working in the United States they would have not died here. They would still be alive. [passage omitted]

Today in the papers we read a statement made by a former Costa Rica minister who charged that at the U.S. Embassy a provocation plan was proposed. Costa Rica would appear to be attacked by Nicaragua [words indistinct] force the United States is looking for a way to intervene in Nicaragua, and it is using the Honduran and Costa Rican Governments to launch this action against Nicaragua. However, we hope that the Costa Rican and Honduran Governments will not get mixed up in this because if what they hope to do is to burn us, then we will all get burned. Not just the Nicaraguans but all of us will get burned. Therefore, the best thing for everyone is for this intervention not to occur. If it does, we are going to get burned, and it will end up being a very costly intervention. Yes, the North Americans who may come here to invade our territory will get burned. [passage omitted]

DAILY PROBES U.S. ARMS SALE EXPOSE IMPLICATIONS

PA291250 Managua BARRICADA in Spanish 27 Nov 86 p 3

[Excerpts] A scandal exploded in the United States, and many more things are in store.

The tip of the iceberg [in English] suggests that rather than a new Watergate, we are about to witness the unmasking of the Reagan administration and the public exposure of its illegal, immoral, and dirty policy against many peoples of the world, especially Nicaragua.

The resignations of Lieutenant Colonel Oliver North, who is known as the "swordsman-in-chief"; and Vice Admiral John Poindexter, chief of the National Security Council [NSC], have opened to the world the entrails of the U.S. Administration's covert operations.

The present moment offers more questions than answers to the international scandal. What is the degree of Reagan's participation in all this? Why are people in Washington circles talking so desperately about saving President Reagan? What role did Vice President George Bush, who is the virtual NSC executive director and former CIA director, play in this? What else is behind the mysterious figure of Lt Col North, who is considered a close ideological friend -- "because of their mutual anticommunism" -- of President Reagan? What could Democrats do to stop the war against Nicaragua and make the U.S. Administration abide by the ruling of The Hague Court?

It will not be easy to answer these questions. The commission established yesterday has convinced nobody, because the helping hands of Reagan's friends are evidently present to help bail him out from the crediblity crisis facing his government's foreign policy. We must search for the answers in history and for the root itself of imperialist U.S. logic. [passage omitted]

North, "a lover of wigs and counterfeit passports to carry out his missions," who is fully dedicated to his objective of creating a counterrevolution in Nicaragua to facilitate his often-practiced plans to topple the Sandinist revolution, had a close working relationship with Bush.

The relationship was recently made evident with the downing of the C-123K plane and Eugene Hasenfus' statements regarding Bush and North's role in supply operations for Somozist groups.

The use of several members of Bush's team of assistants to establish a "private" support network for the contras and the telephone calls made by CIA agents in El Salvador to North's office in the White House's basement are two elements that cannot be separated from an analysis of this case.

Nobody in the United States believes this action -- the creation of the "private" network to channel aid to the contras -- is the work of a lieutenant colonel whose age, number of children, and residential addresses of his children are withheld "exclusively for security reasons." Was North acting on his own or was he obeying orders?

It is evident that North was carrying out a mission: Carrying out a plan drafted in Santa Fe and adopted by the Reagan administration to create the conditions needed to topple the Sandinist revolution at any cost. Was he acting alone? That is not logical, even more so given Reagan's sick attitude toward the Sandinist revolution and Bush's involvement in the financing of counterrevolutionaries.

The Hasenfus case is not the only thing pointing to North's involvement in this dirty war against Nicaraguans. In the summer of 1985, North held talks in Portugal to secure arms shipments for the Somozists.

North's ties with General Secord, the Pentagon adviser who is clearly linked to support operations for the contras, are well known. It is believed that North and Secord are directly involved in Hasenfus's flight. The link between North and General John Singlaub, retired leader of the anticommunist Moon sect and financier of mercenary operations, has been confirmed.

The former NSC member was also in Honduras in 1983 to organize the contras and deal especially with aspects pertaining to their supplies. In these operations, he directly inolved the White House and the counterrevolutionaries.

Justice Secretary [title as published] Edwin Meese himself has acknowledged that former NSC chief McFarlane, Poindexter, and of course, North were involved in the most recent "private" support operation for the contras.

Poindexter's and North's resignations, the doubts about Reagan's participation, and the involvement of Bush and the White House cabinet chief [title as published] Donald Regan show, among other things:

1. The U.S. Administration was clearly determined to act outside the framework of international law and its own law in its attempt to topple the Sandinist people's revolution.

2. The immorality of U.S. Government policy, especially toward Central America.

3. The unmasking of the real terrorist. The abuse of its power to attack with terrorism means a people whose only crime is to have chosen a path of self-destruction and sovereignty.

4. The situation in Nicaragua has external causes, which refutes the civil war argument.

5. The administration has no plans to "exert pressure" on the Sandinists to "make them negotiate." Quite the contrary, it seeks to destroy the Sandinist revolution. [passage omitted]

HONDURAS DENIES REPORTS ON EPS INCURSION

PA290349 Managua International Service in Spanish 0107 GMT 29 Nov 86

[Text] The Honduran Armed Forces today denied press reports on an alleged incursion into Honduras by EPS troops. Army Spokesman Lieutenant Colonel Jose Oscar Flores reiterated that the EPS has not crossed into Honduran territory and that the information to this effect is false. The Armed Forces' High Command is kept abreast of the situation at the border, and to date, it has received no official report on incursions, the Honduran official added.

3D PCC CONGRESS MEETS TO APPROVE DRAFT PROGRAM

PA291220 Havana International Service in Spanish 1600 GMT 29 Nov 86

[Text] The deferred session of the Third Congress of the Cuban Communist Party [PCC] will begin this Sunday morning at the Havana Convention Center, where delegates will discuss and approve a new version of the party's draft program. The draft program has been enriched with proposals made by the party's members, the Union of Young Communists of Cuba, and workers and members of all the mass organizations of the country.

They will also review the results of the special sessions of the provincial and municipal PCC committees, which led the rectification process in all social and economic areas of the country. The delegates will also review the contents of the politico-ideological duties for the upcoming years and measures to improve them. The closing of the deferred session of the Third PCC Congress is scheduled for 2 December.

Raul Castro Opens Session

FL302320 Havana Domestic Service in Spanish 1355 GMT 30 Nov 86

[Speech by FAR Minister Raul Castro at the opening ceremony of the deferred session of the Third Communist Party of Cuba [PCC] Congress held at Havana's Palace of Conventions -- live]

[Text] Comrades, we now begin the deferred session of the Third Congress of the Communist Party of Cuba [PCC]. This event's extremely important significance is even greater when we remember that it is precisely today that we mark the 30th anniversary of the heroic uprising of the city of Santiago de Cuba in support of the landing of 82 expeditionaries who, commanded by Fidel, arrived in the fatherland 2 days later to resume the armed struggle. Those events resulted in the creation of the rebel army and are the symbols which express very eloquently that our revolutionary cause was forged in the melting pot of greater sacrifice, of the most absolute courage and dedication.

To remember closely that epic is also to evoke the memory of those who generously offered their lives during this long and unwavering struggle and paved the way for our people's victory. Today we begin our work influenced by these historical commemorations.

As we announced during the first phase of the congress held at the beginning of the year, 1,790 delegates were elected to participate in this important event. Some 526 are laborers and 24 are peasants; 222 are workers who are directly linked to services, science, education, and other social tasks; 223 are FAR or Interior Ministry combatants; 864 delegates have university degrees, 442 have mid-level higher education; and 563 are comrades who have given their internationalist help to other peoples of the world.

Out of the delegates elected for this congress of provincial assembly meetings and party meetings at the FAR and Interior Ministry, as well as at work centers and military units elected because of extraordinary achievements in their area of specialization, 1,723 comrades are present and 67 are absent because of justifiable reasons. This means that we have the necessary quorum to begin our activites.

Comrades, the main report presented by our first secretary, Comrade Fidel Castro, during the first sessions of the congress held last February, the approved documents, and the conclusions reached there, marked an extremely important moment in the life of our party and we can assert with confidence, that they are the beginning of an improved stage in the history of the Cuban revolution. A quarter of a century after its founding, the PCC paused for a frank and mature evaluation of the experience gained during our process, and set out the political guidelines to follow in accordance with the new circumstances that the revolution would have to confront at present and in the future.

With the criticism and self-criticism conceivable only among revolutionaries who have demonstrated absolute loyalty to the people, we Cuban Communists, especially the first secretary of our Central Committee, summed up the advances made by our society. However, we devoted most of our energy to pointing out with absolute clarity the mistakes and deficiences affecting the building of socialism in Cuba. The party came close to the roots of the problems and drew guidelines to confront these problems in a gradual, systematic, and profound way.

Perhaps the most important outcome was that we established that it was not a matter of advancing toward superficial and fleeting campaigns, that we would not be able to mobilize the population's energy simply to press on with circumstantial crusades, but, on the contrary, that we would have to work long and systematically to firm up the strategic policy of building socialism in Cuba.

In the months following those first sessions of our congress, Comrade Fidel, with the lucidity and courage he has invariably demonstrated in his leadership of the revolutionary process, examined with increased thoroughness the path taken at our February meeting, uncovering serious mistakes and deficiencies that had an undoubtedly negative influence on the development of the revolution. Therefore, in the last few months, our first secretary has repeatedly told the people about errors and deviations not only in the management of the economy, but also in the political and ideological arenas. This determined the beginning of the process of rectification we are engaged in at present. At the same time, in the name of the party's leadership, he has issued substantive instructions to carry out this process with determination and serenity.

This deferred session was basically envisioned to approve our party's first program, the culmination of the process of consultation with militants and workers all over regarding the country. We consider, however, that this is above all a fitting occasion for a thorough discussion of and renewed reflection on the critical problems that require that we eradicate all manifestations alien to the very essence of the revolution and socialism.

I am following the instructions of Comrade Fidel and of our Politburo in asking you to ensure that in these sessions of the Third Congress we will be able not only to conclude the discussion and proclamation of the party program -- a document of transcendental importance encompassing a general strategy for the country's political, economic, and social development -- but also to use this opportunity in a responsible manner to analyze the progress of the process to rectify mistakes and negative trends that had been cropping up in a greater or lesser fashion in the various strata of society. As could be supposed, this has and will have a deep effect on the life of our people and in the development of the resolution itself.

The party's Central Committee, and particularly its first secretary, Comrade Fidel, hope that these final sessions of the Third Congress will be a synthesis and true reflection of the wealth of expertise gained in the discussion and analysis that have taken place this year in the rank-of-file organizations and in the municipal and provincial party committees, where courage and depth prevailed among the militants and the cadres when it came down to assessing individual situations in their respective work spheres, areas, and fields. This is a particularly encouraging sign.

This meeting must give evidence of the maturity attained by the party we have forged. We must openly face the essence of all those issues involved in the rectification process and which require our thorough examination. We have advanced with firm steps along the road to rectification. However, these steps are only the first ones in a process that will bring profound changes and renewed impetus to our society. Hence, our efforts over these 2 days must be geared to a profound and absolutely honest examination of all that remains to be done and how we will do it.

If we achieve these objectives, we will make this meeting the brilliant culmination of our party's Third Congress, which will map the long-term work of coming years and provide a program of action to face the difficulties at hand. In this spirit, and in the total conviction that just as Fidel has asked, combativeness, openness, and maturity will prevail in this meeting. I declare open the deferred final session of the Third PCC Congress. Many thanks. [applause]

CASTRO ADDRESSES MEDICAL CONGRESS DELEGATES

FL271505 Havana Television Cubana Network in Spanish 1800 GMT 26 Nov 86

[Text] Commander in Chief Fidel Castro, first secretary of the Party's Central Committee and president of the Councils of States and Ministers, attended last night's opening session of Surgery 86 at the Palace of Conventions.

Surgery 86 includes the third national congress on pediatric surgery, as well as the first international seminar on liver and biliary system surgery and the first on the organization of general pediatric surgery. Attending the event are nearly 900 delegates from Cuba and 17 other countries, as well as internationally renowned specialists. Following the opening ceremony, the commander in chief held a lively conversation with some foreign delegates. Fidel discoursed on extracorporeal lithotripsy, used to dissolve kidney stones. He also spoke about heart transplants and family medicine. On this last topic, he highlighted the work to reduce infant mortality, especially in the mountainous regions of the former Oriente Province.

[Begin video recording showing Fidel Castro, standing, surrounded by unidentified delegates] [Castro] We have 3,000 cases that require lithotripsy; I mean, operations of that kind.

[Delegate] Why are there so many cases of kidney stones here in Cuba?

[Castro] It depends. Well, I don't think there are so many. The number is higher in some regions; it depends on the water, in particular.

[Delegate] Don't they drink enough water, or...

[Castro, interrupting] Some people boil it. This makes the salt precipitate. It depends on the water and nutrition in some regions. However, we have 3,000 cases and we are estimating, let's see -- first we brought in this lithontriptic equipment. We thought about installing one unit in central Cuba and another in the eastern part of the country. Well, it is expensive. First of all, the electrodes cost $300. The condenser carries out 1,000-1,200 shooting operations, maby 1,500. [laughter in crowd] A transformer -- what do you call it? It has another name. It's electrical equipment that has to be recharged every 200,000 shots -- Well, every 200 operations. [as heard] It costs $40,000 for each recharging.

[Delegate] It's expensive.

[Castro] It costs some $500-600 alone. Well, there is a new lithontriptic procedure that does not require a bathtub. It does not require anesthesia.

[Delegate] You mean ultrasound?

[Castro] It does not require x-rays. They are using ultrasound. All right. There is a lot of competition because this one is the best so far. It is the best one, the safest, with excellent results. The kidney stone can be seen with absolute clarity. The equipment is very efficient. We also want to take the equipment to the various regions; we were thinking of all three. Now it would function continually, by shifts -- three shifts. We were looking for (?eight), I was telling you. I toted up the figures. The cheapest thing is the man who operates the machinery. The most expensive item is the equipment. So what we have to do is get equipment for several places; we are already working on equipping the central and eastern areas. That is what the future is going to bring. By having the three units, we can have them working continually. I tell you that the least expensive element is the man who operates the equipment, when you calculate $100 for each operation. The operator, the equipment should perform five or six. However, they must be done calmly, without rushing. This is not equipment that you turn like an automatic lathe. Let's say five. Now, we are going to make the machine work. Instead of having one set of equipment, we'll have three. We have installed magnetic nuclear resonance equipment, a whole series, a whole laboratory.

[Delegate] Commander, heart transplants are being performed in Cuba.

I would like to ask you: Considering that Cuba is such a small country with few resources in terms of the money required to preform heart transplants, do you think they are justified, since there are other...

[Castro, interrupting] Well, I'll tell you. Lithotripsy probably saves more people's lives than do heart transplants. Of those 3,000 cases, there could be many operations; they are very traumatic and the kidney could be lost. Then comes the kidney transplant and all that kind of thing. However, I'll tell you, the important thing about heart transplants is not the number of people saved, though the procedure brings hope to a lot of people; the important thing is that transplants help develop surgical techniques and medicine in general. There is the enormous development of surgery, medicine, immunology and everything else connected with transplants. And heart, lungs, and liver transplants they are taking place. I believe there is a Spanish specialist here. I imagine he'll deliver a lecture on that topic. That is the real value. It is not just an operation costing 100,000 [not further specified]. In any case, it gives hope to perhaps a million people who believe that if anything happens, they will get a new heart. It gives hope to a lot of people, but it also helps medicine develop tremendously. And then it can save lots of lives later.

[Delegate] They are fully justified?

[Castro] Yes, yes, there is not the slightest doubt about that. Of course, it is expensive. Well, the heart does not cost anything here because people donate the organ. When there is an accident, the relatives donate the organ. The cost is in the material used in the operation, the reagents, all that, medicines, disposable material. That is what costs most. Well, there is also the number of people involved, although our salaries are not so high.

Of course, our peso is worth more than a dollar. A peso can make the trip to New York 20 times. [laughter among delegates] They are worth 100,000-50,000 [words indistinct] exact figures. There are the hospitals, the participating physicians, all that. It is much more economical. The figures are not (?the point). In the end, the lithotomy is more expensive, but it helps 3,000 people. It makes 3,000 traumatic operations unnecessary. Well, the minister invited you to see the family doctors. Don't forget to go see the family doctors.

[Delegate] Yes, we have to go see them because they are the most important.

[Castro] They are the most revolutionary thing that we have ever done, the most revolutionary teaching methods in the field of primary care. The minister was in a hurry; he was worried about the time. He didn't want to exceed his time.

[Delegate] How are women doing in surgery? Are they doing all right?

[Castro] There are several already. They are making progress in that field, although it is not their favorite. I don't know. They are moving in that direction and they are everywhere.

[Delegate] Woman surgeons or male surgeons? [laugher in crowd]

[Castro] The women. When you said there were less general surgeons, and there were 300 pediatricians and many more surgeons [words indistinct]...

[Delegate interjects] Four thousand or so specialties.

[Castro continues] Such as orthopedic surgeons and the others. There are about 4,000. They seem 1,300 compared to the 300 of whom you spoke, the ones you bad-mouthed a bit [laughter in crowd] forgetting that some helped us. Well, there were some who helped. A handful helped us and thanks to them we are now where we are. But the truth is that there was no methodical training of surgeons, no practical training. There were general physicians who studied nothing else. And this general physician (Teja) talked about has to be strong in obstetrics, pediatrics, and internal medicine, as well as psychiatry and hygiene [words indistinct]. A very interesting thing is that he studies his speciality as a resident of the polyclinic of the area where he is.

[Delegate] You are not talking about those who have just graduated?

[Castro] No, he comes in after graduating.

[Delegate] In some specialty?

[Castro] No, after he has been there for a year, except for the ones in the mountain areas, because it can't be organized that way there. We have whole mountain areas [word indistinct] with such fabulous results that in the municipalities that have family medicine practitioners, the mortality rate is less than 10 for every 1,000 births. Less than 10. Although we are under 15, this is still relatively high for the first week. That is the weak link. Those are the services to be established with an intensive program of prenatal care. Prenatal genetics and services, with timely interruption of some of our cases [words indistinct] who die in the first year.

With those three elements we thought we could make it less than 10. In the mountains, we have done the job with family doctors only, without these three additional factors. And we are speaking of a couple of years. We placed 150 doctors in another region. We are getting close. (Teja) was saying that there were 1,600 consulting rooms but 2,400 doctors. That was because we did not build houses and offices for the first ones. The first ones had to use a garage, a neighbor's living room. The first 700 -- poor people -- the first 800 did not have a place. The second batch did; in their second year -- those in the second group had tiny consulting rooms. The third group had bigger rooms. Over 1,500 have been built, with the offices on the second floor of their homes. The doctor lives right there with the peasants. This was revolutionary. Now, with the family doctor alone we have been able to bring down the mortality rate to less than 10. Statistics show that all the municipalities in the mountains with family doctors are registering less than 10 in the infant mortality rate in the first year of life.

[Delegate] How many are enrolling each year in family medicine?

[Castro] The figure is 1,500 and will go to 2,000 later. In 8 to 10 years we'll have 20,000 in the family medicine network and another 5,000 in schools and factories. We had 6,000 doctors; 3,000 stayed behind. We now have 25,700 and 3,000 more are graduating. We are enrolling 5,500 selected students in family medicine courses. So, it's becoming a hemorrhage. [laughter in crowd] In the next 13 or 14 years we will have 65,000 physicians. Of these 30,000 will be working in the network, 20,000 in the community, 5,000 in factories and schools, and 10,000 abroad. We must include those who are working overseas. We have 1,500 overseas. They are rendering free services in the name of the country. We will graduate 10,000 more so that we can give each doctor a year's sabbatical for every 7 years of service. That is the full picture; we plan on 75,000 more. We are getting there.

[Delegate] What about the recertification of physicians?

[Castro] The what?

[Delegate] Continuing education.

[Castro] Well, that is what I am saying: A year's sabbatical after every 7 years. All doctors will have a year with pay and they will be free to study, whether they are specialists or still...[change thought] well, whatever the speciality. Everyone will be a specialist. All of a sudden we turn general knowledge into a speciality, and there will not be a single case of an individual called a generalist just because they took their studies no further. This is a speciality that we have established here with a full program. They have their own textbooks and it is a difficult program. Therefore, all physicians will be specialists--all. Everyone will enroll in a speciality. Besides the pediatrics program, we are working on others. Some are ready. We are finishing work on the programs of 35 medical-surgical specialities -- our plan until the year 2000.

Well, as I was telling you, what we have achieved with these family doctors is that they have reduced infant mortality rates to less than 10 in the mountains. I sometimes asked myself whether there were any genetic factors involved in the capacity to survive the first year of life. They said that the Swedes had less than 10, Japanese had less than 10. I believe Spain stood at 9.8 -- just under 10. I wondered if there were gentic factors involved. But I am now convinced...there might be. There might be national groups that are more resistant. The climate is not the same. Not all climates are the same. Tropical climates are more harsh, because of the amount of bacteria and fungi, all that. Temperate climates are healthier. Now we have to look at a country in the tropics that can bring it down to less than 10. I feel that we can make it less than 10 for sure in a few more years with these programs we are implementing. It could happen in 1990-1992. We are, after all, giving priority to the mountain areas, and doctors are not being scattered here and there. They are going into full polyclinics. Polyclinics are 25,000. [as heard] There are from 35 to 40 physicians in each. Since each polyclinic has a specialist in pediatrics, internal medicine, and obstetrics, they are the teachers. They become the teachers of the rest. That is why the minister said that all hospital facilities are becoming training facilities.

In the past, if you tried to find a teaching hospital you met with pretentiousness. They had all specialties, but not anymore. Hospital "x" can offer 20 specialities, but the modest municipal hospital, where they have a lot of children, childbirth cases, internal medicine problems, can now graduate specialists there -- residents in a municipal or even a rural hospital. The polyclinic is a teaching facility, because all those family doctors do their residencies there after the first year. The doctor stays there for a second year because we want his stability. We want him to stay there 10 or 15 years. Of course, he does have other possibilities, because in the future almost all other specialists will come from the family doctors, who will by then have a second specialty. The exception will be surgical specialties. We will have to start out early on those because they require special manual skills. However, cardiologists will first have to be general practitioners. The same with all other clinical specialties. Future pediatricians will have to be generalists first, so they have plenty of future opportunities. But we want them to establish themselves first and stay there.

We move them around in the countryside because this program cannot be applied to the countryside. Distances are too great. They can't get to a polyclinic to receive instruction. Let's take the case of a pregnant woman. She's ordered to rest and has a macho husband, who for some strange reason, does not want her to rest. [laughter in crowd] Well, what do you do? You go see him and talk to him. If you can't manage to convince him, you have to find out where he works and talk to the trade union, the Party, the community, everybody, to explain the situation to this man and to see if he persists in his attitude. That is moral pressure.

In other words, they have to get involved in problems affecting people. They have to attend all cases, such as cardiac problems, diabetes problems, circulatory problems of all types, high blood pressure. They tell you 39 with blood pressure over 600. [as heard] There they have all the (?specialties), but they are...[changes thought] We used to have this problem with basic medical care. Some of the people would not go to the polyclinic; they would go directly to the clinical-surgical hospital. They trusted the clinical-surgical hospital more. Of course, luckily some were still going to the polyclinics, but just 30 percent were going straight to the hospital which could finish off the hospital, because they [words indistinct] for the emergency room. They were going to them constantly.

The result of this was that the polyclinic, to which 500 people were going daily, was seeing only 100, and those 100, because they were going for laboratory tests. The first odd thing that we observed was that there was a lack of confidence in the polyclinic doctor. Nobody would go to the polyclinic. They were going to see only the specialist as a rule. Second, no one was going to the emergency room in the area where the family doctor was located. [words indistinct] [laugher in crowd] They asked for hospitals because the emergency rooms (?would not suffice). This brought plenty of specialists. Then, the solution -- we had a network and we thought it was perfect -- nevertheless, the emergency rooms were always crowded.

This type of doctor has helped us get rid of that nightmare. They are not going to the polyclinic anymore. When they have a problem, the doctor himself takes him to the hospital, follows up on his case, and even becomes his attorney there in the hospital.

Nothing is going to stop his patient from getting care, because if he doesn't, they will have the doctor to deal with. He is the patient's attorney also. He knows everything about him: where he lives, how he lives, what family problems he has [words indistinct].

[Delegate] Do they have medicine in the clinics?

[Castro] The medicine is in the clinic. Those on the mountains do have some medicaments, such as injections. They have the minimum for emergency cases that could crop up.

[Delegate] Are they trained in minor surgical procedures?

[Castro] Minor surgery is being performed in the polyclinics, which was not being done before. Perhaps one of the best things to come out of this is domiciliary hospitalization. This is going to save us a lot of beds. Many people came to stay in the hospital simply because they had to have their blood pressure taken every day and be given an injection. Home care has been instituted. This has emerged in practice, not from forethought. Many things have come up in practice other than the ones we had planned for. One of these is domiciliary hospitalization.

[Delegate] Commander, does that include ambulatory surgery? It also helps.

[Castro] Well, as I explained, I do not know enough about that. What I do know is that it is already being applied in the polyclinics. Is that what is called ambulatory surgery in this case?

[Delegate] Yes.

[Castro] This does not mean that you go around in a bicycle operating on people along the way? [laughter in crowd]

[Delegate] Those are certain cases that in the past had to be hospitalized; now that we have a family doctor close by, it is easier to perform some surgery without having to admit the patient to the hospital.

[Castro] Fabulous. Other countries have it but we were the first and no one is going to catch us now.

[Delegate] Allow me to congratulate you, as the president of the International Surgeons Association representing 63 countries, for the magnificent lesson you have given us on human and social medicine and for the magnificent changes you have effected in Cuban medicine.

[Castro] We are just beginning. Come back in 15 years. Well, you can come anytime you want. [laughter in crowd] I wish you all great success. We hope to derive many benefits from the congress, because we have come here to learn about the latest techniques you bring with you. Many thanks. See you later. [applause] [end video recording]

INTERIOR MINISTRY HONORS FAR DURING CEREMONY

FL270232 Havana Television Service in Spanish 0100 GMT 27 Nov 86

[Excerpts] Army General Raul Castro, party Central Committee second secretary and FAR minister, has presided over the Interior Ministry's main ceremony honoring the FAR on the occasion of the 30th anniversary of the landing of the Granma and FAR day.

FAR and Interior Ministry generals, chiefs, and officers attended the event held at the FAR Universal Hall. Division General Jose Abrahantes Fernandez, Central Committee member and interior minister, was the keynote speaker. He greeted the FAR combatants on the occasion of the historic date to be marked on 2 December. He underscored that today FAR members are examples of discipline and organization and added that the Interior Ministry is proud of sharing defense tasks with that armed force. [passage omitted] Division General Ulises Rosales del Toro, alternate Politburo member, made the closing remarks. He thanked the Interior Ministry for hosting this ceremony.

RAUL CASTRO PRESIDES OVER FAR AWARDS CEREMONY

FL291425 Havana Radio Progreso Network in Spanish 1200 GMT 29 Nov 86

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee and FAR minister, has presided over the ceremony bestowing the Ernesto Che Guevarra Order, second class, to a group of Cuban combatants who fought in the Spanish Civil War.

The ceremony was held in the FAR Universal Hall during which the commemorative 30th FAR anniversary medal has also presented to General Enrique (Liser), founder of the historic Fifth Regiment of the Spanish Civil War and veteran of the USSR's great patriotic war. The medal was also presented to well-known Malaga citizens [Malagones] and two Membisa veterans.

ANIR CONGRESS REELECTS PRESIDENT, VICE PRESIDENT

FL270310 Havana Radio Rebelde Network in Spanish 0000 GMT 27 Nov 86

[Text] Cuban innovators and efficiency experts will mainly devote all their knowledge and work to reduce imports, increase savings in general, and contribute to the country's scientific and technical development. The plans of the second ANIR [National Association of Innovators and Efficiency Experts] congress also include positive economic achievements coordination with technical and economic goals of enterprises, and increased participation in the retrieval and manufacturing of spare parts.

During this session, Antonio Leon del Monte and Roberto Fabrega were reelected as ANIR president and vice president, respectively. Roberto Veiga, party Politburo member and Central Organization of Cuban Trade Unions secretary general, is making the closing remarks at this time. We should note that the ANIR congress greatly encourages us to thoroughly cover technical activities conducted by Cuban innovators and efficiency experts.

Roberto Veiga Closes Congress

FL271319 Havana Radio Progreso Network in Spanish 1200 GMT 27 Nov 86

[Text] Roberto Veiga Menendez, Politburo member and secretary general of the CTC [Central Organization of Cuban Trade Unions], has spoken at the closing of the second congress of the National Association of Innovators and Efficiency Experts, ANIR, at the CTC's Lazaro Pena Theater. Speaking to more than 300 delegates and an equal number of guests, the trade union leader stressed the pureness of the workers' movement and its importance in the country's economic development plans. During the 2 working days, important presentations were debated and solutions were sought for the immediate application of ANIR innovations.

ANPP ELECTS FIDEL, RAUL CASTRO DELEGATES

FL280150 Havana Television Service in Spanish 0100 GMT 28 Nov 86

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has been elected Santiago de Cuba Municipality deputy to the National Assembly of the People's Government [ANPP] during an ANPP special meeting. Politburo members Juan Almeida Bosque, Armando Hart Davalos, Esteban Lazo Hernandez, and Vilma Espin Buillois also headed the group of 21 deputies, who will represent the Santiago de Cuba Municipality at the ANPP.

Army General Raul Castro, first vice president of the Councils of State and Ministers, was elected to represent the Segundo Frente Municipality. During similar assembly meetings held in Santiago de Cuba's nine municipalities, 47 deputies have just been elected to the top government organization. Over half of them are electoral district delegates.

Politburo Members Elected

FL281406 Havana Tele-Rebelde Network in Spanish 1200 GMT 28 Nov 86

[Excerpt] Politburo member Julio Camacho Aguilera has been elected deputy to the National Assembly of the People's Government [ANPP] by the Plaza Municipality in Havana City. Delegates from this municipality elected eight other deputies to Cuba's highest legislative body, which will be formed within 30 days -- by 27 December -- as is required by law. Other delegates elected were Central Committee members Pedro M. Chavez Gonzalez, president of the Havana City Provincial Peoples' Government, and Juan Escalona Reguera, justice minister. [passage omitted]

HAVANA JOINS CEMA ELECTRONUCLEAR PARTS GROUP

FL271345 Havana Radio Progreso Network in Spanish 1200 GMT 27 Nov 86

[Text] Cuba was admitted as a member of the special CEMA commission coordinating the production and supply of electronuclear equipment. This agreement was reached at a working group meeting in Warsaw, Poland.

U.S. WITHDRAWAL OF DRAFT RESOLUTION 'A DEFEAT'

FL290231 Havana Radio Reloj Network in Spanish 0201 GMT 29 Nov 86

[Text] The United States has withdrawn, due to lack of support, a draft resolution accusing Cuba of human rights violations. This draft caused great controversy among UN diplomatic circles and it was increased by the Cuban delegation's presentation of two draft resolutions on human rights violations in Puerto Rico and the United States.

Addressing the UN General Assembly's Third Commission, Cuban Delegate Eumelio Caballero said the withdrawal of the U.S. draft resolution could be considered as a defeat. Finally, the Cuban delegation did not submit for a vote its two draft resolutions to avoid delaying the works of the commission, which was discussing human rights violations in El Salvador, Chile, and Guatemala.

U.S. HUMAN RIGHTS CAMPAIGN 'PSYCHOLOGICAL WARFARE'

PA291938 Havana International Service in Spanish 0000 GMT 29 Nov 86

["Viewpoint" commentary read by Angel Hernandez]

[Text] In recent years, the United States has been presenting itself as a spokesman of continuous propaganda campaigns in defense, allegedly, of human rights. The crusades, which are basically aimed against the socialist countries and those that have decided on noncapitalist development, have the mark of psychological warfare. This week, the U.S. representation at the United Nations tried to wage a diplomatic battle against Cuba, charging that in Cuba human rights are not respected, a completely false charge aimed at taking the people's attention from true attacks on human dignity. It is precisely on this issue that the accuser becomes the accused and has to explain situations as evident as poverty, unemployment, discrimination, the forced expropriation of American Indian territories, and the spoiling and exploitation of their natural resources.

In the United States, ethnic minorities endure a degrading economic and social situation. Their living standards are 80 percent inferior to the national average, and Indians, Negroes, and Hispanics are the most likely groups to go to prison. As a priest once said: It is not that they commit more crimes than others, but that they are the ones who are most often arrested, sentenced, and jailed. Ethnic minorities possess the highest level of misery, unemployment, suicide, and AIDS cases -- facts that undeniably make evident the human rights situation in the country that proclaims itself defender of such rights. The right to work, to education, to rest, and to medical assistance do not deserve a mention in the United States. For this reason, it can launch campaigns with impunity against other nations without taking a look at its own situation, loaded with drug addicts, poor people, people with no hope to find a job, young people with no access to schools, families without homes, and 195 million secret records in FBI files. Out of 19 agreements and pacts on human rights favored by the United Nations, the United States has signed only 5.

The latest U.S. State Department report on human rights in Latin America twisted facts for the purpose of destabilizing the Nicaraguan Government and stabilizing governments such as El Salvador's, which is notorious for the atrocities it has committed against the civilian population.

The country that aspires to appear as the greatest fighter for liberty and democracy openly supports Zionism and apartheid -- genocidal systems that have been broadly rejected by the international community; arms and directs the Somozist, UNITA, and [word indistinct] counterrevolutionary bands; and is trying to lead mankind to a nuclear holocaust because of its intransigent decision to engage, at all costs, in an arms race. It is with these attributes that the United States has appeared at the United Nations trying to ignore, by vilely slandering our country, that the country with the Statue of Liberty is the one that most often works against its ideals.

PERUVIAN SENATE PRESIDENT CRITICIZES TIAR

PA271441 Havana International Service in Quechua 0000 GMT 19 Nov 86

[Text] Peruvian Senate President Armando Villanueva has told the press that Peru will ask for the elimination or modification of the Inter-American Reciprocal Assistance Treaty [TIAR] because after thoroughly analyzing it, one concludes that it only favors the United States. This is so because, through this treaty, the United States can intervene with its Armed Forces in any Latin American country whenever it so desires, Villanueva added.

He said that the TIAR is only used by the United States when it is beneficial for its interests and to be able to crush the democratic revolutionary movements, as was the case in Santo Domingo when it intervened in the domestic affairs of a nation, something that should not be repeated, Villanueva said.

GUATEMALAN OFFICERS VIEW NEUTRALITY AT CONGRESS

PA271226 Havana International Service in Spanish 0000 GMT 27 Nov 86

[Report by Luis Alfonso Rodriguez from Guatemala; date not given -- recorded]

[Text] Three high-ranking Guatemalan military officers were summoned to appear before the Congress of the Republic on 1 December to discuss the Army's position regarding the policy that Guatemala has implemented in Central America.

The officers summoned by the Legislative Assembly are General Jaime Hernandez, the defense minister; General Hector Gramajo, chief of the Army General Staff; and Captain Fernando Cifuentes, spokesman of the Armed Forces, it was reported here. This summons came in the wake of statements by Army spokesmen last week that it is possible that Guatemala could abandon its policy of active neutrality in the region, which would make it easier for Guatemala to directly fight the Nicaraguan regime through the Central American Defense Council, Condeca.

It was reported that the installations of the Guatemalan military airport have been used by Honduran and Salvadoran Army planes in the past few days. In addition, it was reported that the Guatemalan Army continues to carry out war maneuvers along its eastern border shared with El Salvador involving a large number of troops and heavy weapons.

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ARMY RESUMES GRANTING OF LEAVES TO SOLDIERS

PY021053 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1505 GMT 1 Dec 86

[Text] The Army today started to gradually grant leaves to officers, noncommissioned officers, and conscripts. Leaves were suspended a month ago as a consequence of the UK decision to extend the exclusion zone around the Malvinas Islands. Discharges, however, will be postponed. This was reported today by Army Chief of Staff general Hector Rios Erenu.

The high-ranking military officer said the granting of partial leaves had been resumed "with due caution," and added that the discharge of conscripts will continue to be suspended, because "that is quite a different matter."

He also confirmed that the officers and noncommissioned officers have been granted leave in turns so that the Army can carry on its normal activities.

He also stated that the number of conscripts drafted for next year will be "slightly increased" over 1986 figures, "in order to overcome some difficulties we had this year."

The discharge of soldiers from the class of 1967 was requested by the Association of Mothers of Conscripts and the Front of Opposition to Compulsory Military Service (FOSMO) in a document addressed to President Raul Alfonsin and signed by over 5,000 people.

The leaves and discharges in the Armed Forces were suspended by the government in early November after the UK decision to extend the economic exclusion zone around the Malvinas to 150 miles. This action followed a meeting by President Alfonsin with Defense Minister Horacio Jaunarena and the chiefs of staff of the three branches of the Armed Forces.

HOLDING COMPANY TO REORGANIZE PUBLIC ENTERPRISES

PY290258 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0000 GMT 29 Nov 86

[Text] Buenos Aires, 28 Nov (NA) -- The executive branch today created an executive board of state-owned companies for the purpose of "implementing a structural reform" of the state. The new organization, which will operate as a holding [preceding word in English] company, will centralize the operation of 13 state-run companies.

The holding company, which will be supervised by a president and 9 directors who will be appointed by the executive branch, will include the following companies: YPF [Government Oil Deposits], YCF [Government Coal Deposits], State Gas Company, Argentine Railways, Argentine Airlines, the General Administration of Ports, ELMA [Argentine Shipping Lines], the State Board of Sanitation, ENTEL [National Telecommunications Enterprise], Encotel [National Enterprise for Mail and Telegraph], and Hidronor [North Patagonia Hydroelectric Company].

The holding company was created through decree No 2,194/86, which also created the interministerial committee of state-owned companies, which will be made up of the minister of public works and services and the economy minister. The president of the holding company will be a full member of this committee.

The committee will be charged with setting policy on prices and rates and the general guidelines to be followed by the 13 companies.

The committee will also propose to the executive branch the designation or dismissal of the president and the directors of the holding company, and of the high-ranking officials of the 13 companies.

The committee will also consider and approve the programs that will be aimed at "improving the work and the economic and financial performance" of the 13 companies.

The committee will also be empowered to propose to the executive branch the restructuring and modification of the statutes that regulate the state-owned companies, "to improve the work undertaken by each company."

The executive board of state-owned companies will "establish the entrepreneurial policies of each company," in keeping with the terms of Article 8 of the decree. The board will outline the program of purchases and contracts, the systems of information, and the financial policy, seeking to get the most out of the available resources.

The board will "design systems of work that should increase the participation of company personnel in the analysis and formulation of proposals in the areas of relations with the labor sector, the increase of productivity, and the adoption of appropriate structures for the implementation of technological changes."

The board will have the power to supervise each company's compliance with its duty, and to publicize the results of its work, "submitting the annual report and financial statement for consideration by the consumers, contractors, and suppliers."

In the introductory clauses of the decree, the executive branch points out that "it is essential and unpostponable to modify" the management system, "in order to set coordinated guidelines and criteria" to "implement a structural reform in the system."

The clause adds: "This reform will contribute to the progress of growth and modernization that the government is promoting," adding that "the improvement of company performance will bring direct benefits to the community, raising the standard of living of its members."

The decree also mentions the implementation of "appropriate mechanisms for participation of the consumers who use the services of the companies." The decree concludes by stating that state-owned company employees "will be the direct beneficiaries of the achievement of these objectives."

BRIEFS

NEW PERONIST SENATOR ELECTED -- [NA] -- Peronist Deputy Luis Rubeo was elected national senator by the Santa Fe Provincial legislature by 35 votes against 26 for the Radical candidate, Aldo Emilio Tessio, four going to Progressive Democrat Gregorio Armas, and one to Jose Bustamante Urquiza, a Popular Socialist. [Text] [Buenos Aires BUENOS AIRES HERALD In English 30 Nov 86 p 15 PY]

BARTHELEMY CALLS FOR SOCIAL TRUCE AS SIEGE ENDS

PY282042 Paris AFP in Spanish 1331 GMT 28 Nov 86

[Text] La Paz, 28 Nov (AFP) -- Interior Minister Fernando Barthelemy today called for a social truce in an effort to promote understanding among Bolivians. The state of siege, which was decreed on 28 August, will be lifted today.

The state of siege was decreed to stop a large march by miners, peasants, housewives, and some children, who started out in Oruru (220 km southwest of La Paz) and were headed for La Paz. The marchers demanded that their jobs at the Bolivian Mining Corporation (Comibol) be saved. Some 150 political and labor leaders were arrested during the march. Sixty of the detainees were banished to jungle areas for 15 days.

The state of siege remains in force for 90 days, at the end of which it is automatically lifted, unless the executive branch asks congress to extend it. This time, however, the executive branch did not submit any such request.

Barthelemy reviewed the events of the past 3 months, emphasizing the Armed Forces' commendable support for democracy.

Notes 'Climate of Instability'

PY011253 Madrid EFE in Spanish 2256 GMT 29 Nov 86

[Text] La Paz, 29 Nov (EFE) -- Interior Minister Fernando Barthelemy has stated in La Paz that in Bolivia there is a climate of instability generated by "sectors interested in preventing the government from continuing with the country's reorganization process." Barthelemy added that there are groups from the "misguided left" that do not want to admit the success achieved by the executive branch in leading the country, and that these groups seek to create uncertainty among the people.

As an example, the interior minister cited the continuous attacks which "elements lacking representativity" conduct against state institutions. He also said the attempts to involve members of the Bolivian police with the illegal drug trafficking activities are part of a campaign to destabilize the democratic process.

Regarding a recently released letter, which a group of 50 policemen reportedly sent to the government of Hernan Siles Zuazo (1982-85) denouncing the involvement of the police with drug traffickers, Barthelemy stated that it is a "mere pamphlet", and that the accusations included in that letter are absolutely groundless.

Barthelemy also called upon workers to maintain a climate of peace, because of the approaching year-end celebrations, and the fact that the second state of siege, decreed by the government, was lifted yesterday.

The interior minister concluded by saying that we must continue working to achieve a common front against the conflicts the country is experiencing.

ANTIDRUG OPERATIONS RESUME THROUGHOUT COUNTRY

PY010034 Paris AFP in Spanish 1513 GMT 30 Nov 86

[Text] La Paz, 30 Nov (AFP) -- Interior Ministry officials today announced that antidrug operations have resumed throughout the country following the U.S. troops' 15 November departure to return to their bases in the Panama Canal Zone.

In this regard, the district of attorney of Santa Cruz (located 1,000 km east of La Paz), Antonio Santillan, said the Interior Ministry has ordered the mobilization of important police contingents which are already carrying out diverse operations in the jungle area.

He also reported that judicial proceedings against drug trafficking suspects, among them Humberto Gil Suarez and William Pizarro Hurtado, will start within the next few hours.

The 170 U.S. troops arrived on 15 July with the purpose of helping in the struggle against drug trafficking.

UN Countries Support Effort

PY282024 La Paz EL DIARIO in Spanish 18 Nov 86 p 3

[Excerpts] Through agreements totaling $4 million, which will be disbursed beginning in 1987, the United Nations Fund for Drug Activties and Control (UNFDAC) will support the struggle against drug trafficking that has been implemented by the Bolivian police.

This information has been supplied by acting Bolivian Police Commander General Raul Escobar, who expressed his confidence that the efficiency of the police will increase after they receive this [financial] support.

The support includes six areas of cooperation, integral communications systems, and infrastructure equipment, particularly aimed at the struggle against illegal drug trafficking activities.

Gen Escobar said that with this support, a better control will be implemented in the areas where these criminal networks are operating because the new equipment will complement the operations conducted by Mobile Units for Rural Areas [Umporar] forces.

Over the past few weeks, the Bolivian Police leadership held several meetings with UNFDAC representatives, reaching satisfactory agreements which coincide with the need to conduct the struggle on an international level.

Gen Escobar added that the French police are interested in supporting the Bolilvian police with technology and training for the forces charged with conducting this delicate task. [passage omitted]

Meetings have been held with the Brazilian federal police, seeking to coordinate activities and to exchange information within the framework of the mutual cooperation between the two institutions. [passage omitted]

Traffickers Move to Pando

PY270154 La Paz PRESENCIA in Spanish 19 Nov 86 p 7

[Text] Cobija -- The police have sent the Mobile Units for Rural Areas (Umopar) to support the antidrug trafficking struggle under way in this region. This measure was taken in view of charges that drug traffickers have now established their basis in Pando as a result of the strict control launhed in Beni, Cochabamba, Santa Cruz, and La Paz.

Umopar is controlling Cabija and some rural towns. However, there is no information on whether any laboratories have been found or drugs seized.

Recently the activities of drug traffickers in the region became quite obvious. Some crimes involving bloodshed, which were not clarified, were also reported.

Local authorities and civilian representatives had requested that the government realize the need to solve this problem in the region.

MUNICIPAL ELECTION TO TEST GOVERNMENT POPULARITY

PY282051 Paris AFP in Spanish 1340 GMT 28 Nov 86

[Text] La Paz, 28 Nov (AFP) -- On 6 December 1987, the Bolivian people will elect 4,568 councilmen throughout the republic, according to a National Electoral Court timetable that was released here today.

According to observers, the elections will be a decisive popularity test for President Victor Paz Estenssoro's government, which is supported by his party, the Nationalist Revolutionary Movement (MNR), and by the Nationalist Democratic Alliance (ADN), headed General Hugo Banzer Suarez.

Electoral Court President Mario Cuellar recalled that on 6 December, the people will elect mayors of the nine most important Bolivian cities, 660 councilmen for provincial capitals, and more than 3,800 councilmen for smaller towns and districts.

It is believed that the municipal elections will allow the political parties to begin to prepare themselves for the presidential elections scheduled for August 1989.

LABOR LEADERS CONSIDER CALLING GENERAL STRIKE

PY011937 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Nov 86 p 25

[Text] Representatives of eight federations that represent approximately 4 million workers met yesterday at the offices of the Metalworkers Federation in Sao Paulo to discuss the first details for unleashing a national strike.

The main concern among those present at the meeting was to overcome their political disagreements resulting from their membership in the CUT [Sole Central Organization of Workers], the CGT [Union Headquarters], and the USI [Independent Labor Union Association -- Uniao Sindical Independente], and to unite the workers behind a single demand: the abolishment of the recently announced economic measures, with the consequent recovery of the workers' purchasing power; the continuation of the price freeze; and the adoption of government measures in a clear and visible manner, as well as the abolishment of the decree-law.

The leaders of the eight federations that were present at the meeting -- metalworkers, printers, commercial employees, construction and furniture workers, rubber industry workers, health employees, and agricultural and food workers -- first expressed their support of a general stoppage. There will be another meeting on 13 December to set the strike date.

According to Lazaro Augusto Cruz, vice president of the Metalworkers Federation, the union leaders decided to begin today to mobilize the labor unions for meetings and public acts in preparation for the general stoppage. He said that this is "the starting point in the guest for a serious economic policy compatible with the social policy. He stated that the union leaders have no alternative, adding that "the workers are disgusted and will mobilize with or without the federations, which at this moment cannot turn away."

Mario Monte, president of the Printers Federation, stated: "The people feel betrayed. The people have expressed their support of the government on two occasions: when the Cruzado Plan was issued and at the elections. Suddenly, they have been surprised by the changes, which have violently affected them. They have discovered that the price controls and the confiscation of cattle were mere campaign promises, and for this reason they no longer believe in the government."

According to Monte, the situation is more serious than what it appears because even Edmar Bacha, president of the IBGE [Brazilian Institute of Geography and Statistics] resigned because he did not agree with "a rate that will seriously compromise the workers' lives, because it will postpone the automatic readjustment and provide a deceiving inflation rate. We have returned to the Old Republic," he said.

These two leaders confirmed that their sectors will join the strike. Orlando Izak Birrer, chairman of the Agricultural Workers Federation, and Plinio Sigmar Bortoleto, representative of the Commercial Workers Federation, however, could not confirm that their group would participate in the strike. They said that it is difficult to mobilize the workers, although they did not rule out the possibility of supporting the movement. Birrer stated that if the strike is held the government will have sole responsibility for it, "because the workers have the right to recover what they have achieved in the struggle and that which the government has taken away from them for no reason at all."

A few hours after the meeting, Sigmar Bortoleto told reporter Itaborai Martins of O ESTADO that he participated in the meeting only as an observer and that he finds a general strike at this moment to be "untimely."

DEMOCRATIC ALLIANCE DEBATES DEBT SUSPENSION

PY271438 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 27 Nov 86

[Text] The Democratic Alliance [party coalition supporting the government] is studying the suspension of the country's foreign debt. The PMDB [Brazilian Democratic Mobilization Party] leader in the Chamber of Deputies, Deputy Pimenta da Veiga, yesterday said the party will call for an emergency meeting to discuss this possibility, as the PMDB believes the country's sovereignty is at stake. According to Pimenta da Veiga, the Cruzado Plan II should be understood as a set of measures intended to prepare the way for the suspension of foreign debt payments. He added that the foreign debt is driving the country into an economic recession and imposing greater sacrifices on the people.

The PFL [Liberal Front Party] leader in the Chamber of Deputies, Deputy Jose Lourenco, proposes that foreign debt payments may be suspended immediately if the creditor banks do not quickly agree to renegotiate.

[Begin recording] [Lourenco] (?We are) for a quick renegotiation, in accordance with Brazil's ability to pay and the nation's interests. If they do not agree, we will just suspend the payments.

[Unidentified reporter] Has the PFL been mulling over this idea, or has it just come up now?

[Lourenco] No. We have been following the development of the country's domestic and foreign policies, especially the economic aspects of the foreign debt. In view of the terms of payment, this debt is a burden internally. We cannot continue to transfer nearly 5 percent of the country's GDP abroad. [end recording]

PMDB President Deputy Ulysses Guimaraes did not elaborate on this issue, but he confirmed that it has been debated by the party. He added that the late President Tancredo Neves used to say that Brazil cannot pay its foreign debt with the sweat of the Brazilian people.

GOVERNMENT COMMISSION FAVORS END OF EXILE

PY291519 Santiago Radio Chilena in Spanish 2200 GMT 28 Nov 86

[By Reporter Eliana Enriquez]

[Excerpt] The Interior Ministry Human Rights Advisory Committee said it favors the end of exile except for terrorists. These statements, made by Ricardo Martan, president of this committee, were published in a daily.

Martan said that he does not favor allowing extremists to return to the country since there are already many probelms in Chile as a consequence of terrorism, which he called one of the worst forms of human rights violations. Martan also said that there can be no double standards regarding human rights, adding that any violation is wrong. He expressed his concern for the atmosphere of extreme violence in the country, and said that this situation is not justifiable. He said that whoever engages in violence for political reasons is mistaken. He said one cannot speak of those who oppose the government or those who support it, rather, one must think and behave in a manner so as to attain full democracy. He reiterated that his committee does not oppose the committee presided by Jaime Castillo Velazco. He said that the task of both committees is similar and his own committee wants to receive any contributions from the other. We both want complete respect for human rights, Martan said. The lawyer also said he does not favor the state of siege. However, he believes the state of siege would have not been necessary, if the arms caches had not been introduced into Chile, and if the attack against President Pinochet had not been attached. If the state of siege had not been imposed no progress would have been made in the investigation of these cases. Martan announced that his committee will soon meet with the chiefs of the security services to exchange perspectives on human rights. He reported that his committee is analyzing the list of professionals and former congressmen living in the exile. Some of the people on the list are sick or have sick relatives. The committee plans to report to the Interior Ministry. Regarding the list of 200 exiles which the committee submitted to the government for consideration, Martan said that the list is already in the hands of Interior Minister Ricardo Garcia. [passage omitted]

OPPOSITION ALLIANCE TO PROMOTE DIALOGUE

PY291702 Madrid EFE in Spanish 0016 GMT 29 Nov 86

[Text] Santiago, 28 Nov (EFE) -- Two main objectives of the new president of the multiparty opposition movement Democratic Alliance (AD) are to promote negotiations with the Armed Forces and the government, and to push for free elections in Chile.

This announcement was made by Social Democrat Rene Abeliuk, who will become AD president on 1 December, replacing Enrique Silva Cimma of the Radical Party. The AD was formed in August 1983, by the Christian Democratic Party, the Radical Party, the Social Democratic Party, the Socialist Party, the Republican Right, and the Popular Socialist Union (USOPO). Abeliuk said that free elections seek to allow Chileans to elect a president, an entire National Congress, with powers to legislate, supervise, and form a constituent assembly, and also to elect intendants. He added that he expects the necessary conditions for free elections to be established. For that purpose, he said, the state of siege, the restriction of political activities and exile should end. Political parties should be allowed to exist with full access to television and a wide freedom of expression. According to the Constitution, drafted by the present military regime and in force for 6 years, the commanders in chief of the Armed Forces will propose a single candidate to the presidency in 1989. This candidate will be voted on by a plebiscite. The opposition says the candidate could be General Pinochet himself.

GENERAL: STROESSNER TO GOVERN 'UNTIL THE END'

PY282012 Asuncion HOY in Spanish 28 Nov 86 p 11

[Text] "There will be no post-Stroessner era because just like [Dictator Gaspar Rodriquez de] Francia and the Lopezes [Carlos Antonio Lopez and Marshal Francisco Solano Lopez], General Stroessner will govern for the good of the fatherland until the end of his days." This is what Major General Gustavo Prieto Busto said yesterday at the graduation ceremony of the National War School. General Prieto harshly criticized opposition sectors, particularly the "slanderous individuals who participate in the political dialogue" and "gang leaders who participate in the National Accord." He also mentioned the archbishop's office. President Alfredo Stroessner was present at the ceremony.

In the speech he gave yesterday at the National War School's 18th graduation, which was attended by President Stroessner and other high-ranking military and civilian authorities, Gen Prieto Busto said: "The national Armed Forces, which have been restructured and have regained their essential role as a state institution, are indivisible, irreducible, and firmly loyal to their commander in chief, in addition to being firm guardians of the national sovereignty and defenders of the constitutional powers and of law and order."

Prieto Busto added: "This is why the anarchic factions of those small political party factions that destroy liberty, that stubbornly cling to an imaginary utopian subversion and that have suspicious foreign ties have nothing to do. The slanderous individuals who participate in the 'national dialogue,' the 'gang leaders who participate in the National Accord', all of whom are remnants of political party factions that have hidden objectives, and certain clandestine characters who meddle in these activities, will come to a bad end, without a requiem, epitaph, or chance for resurrection, in the trash cans of the archbishop's kitchens."

Prieto Busto added that "there will not be a post-Stroessner era, because like Francia and the Lopezes, General Stroessner will govern, for the good of the fatherland, until the end of his days. It is because of this and because of the great popularity he enjoys that there will not be any post-Colorado Party era either.

"This is why the National War School has rightfully said that after Stroessner there will be Stroessner -- that is, the banner that has been planted and that has upheld his national ideals, and his programmatic patriotism will continue to be upheld by those Colorados who have been, are, and always will be loyal to him."

Before this speech, President Stroessner handed diplomas to the graduating class of the Joint Staff School. During the ceremony, held at the Defense Ministry Main Hall, the Joint Staff School commander, Brigadier General Luis Rolando Tomassone, delivered a speech, as did the senior officer, Major Angel Moises Farina. During the graduation ceremony of the National War School, Colonel Mario Rodolfo Escobar, leader of the graduating class, also delivered a speech.

GOVERNMENT, BLANCOS AGREE ON BUDGET REPORT

PY272154 Madrid EFE in Spanish 1533 GMT 27 Nov 86

[By Jorge Figueroa]

[Text] Montevideo, 27 Nov (EFE) -- The Uruguayan Government and the Blanco Party, the largest opposition party, have agreed to give partial approval to the budget report. This is the first step leading to the resolution of the most serious political crisis in 20 months of democratic government. The agreement between the Blancos and the ruling Colorado Party was announced yesterday by Finance Minister Ricardo Zerbino and Blanco Senator Alberto Zumaran, a former presidential candidate, after a meeting that lasted more than 8 hours. The new budget report might be submitted to Congress today and, according to the bipartisan agreement, it could be approved before the congressional recess, scheduled to begin on 15 December.

The disagreement between the government and the largest opposition party became worse after Congress failed to approve the budget report before the constitutional deadline of 15 November. The executive branch even considered calling for early congressional elections. Meetings began at different levels immediately after Congress failed to approve the budget report. The Broad Front leftist coalition, the country's third largest party, did not participate in the talks, although "we were constantly informed," leftist leader General Liber Seregni said. The bipartisan agreement was reached after the 380 articles of the budget report were individually analyzed. Some 200 articles will be approved and the rest of the report will be amended.

According to the announcement by Zerbino and Zumaran, the new budget report will include topics that are not of a budgetary nature, such as tax regulations, investments, personnel restructuring, etc. The articles dealing with salaries, expenses, benefits, and the creation of new posts will be included in the next budget report, in keeping with the Constitution, because they involve matters of a strictly budgetary nature. The government has promised to submit the new budget report in April, 1987. Zumaran, Zerbino, and other leaders who participated in the talks said that this agreement will give "fluidity to the relations" between both parties. It will also facilitate new agreements in areas such as the forestation law, free-trade zones, and human rights. After 20 months in power, the democratic government is considered to have obtained "a failing grade" on the human rights issue.

DELEGATION TO ACCOMPANY PRESIDENT TO JAPAN, CHINA

FL271804 Mexico City NOTIMEX in Spanish 1625 GMT 27 Nov 86

[Text] Mexico City, 27 Nov (NOTIMEX) -- An official spokesman has reported that five secretaries of state will accompany Mexican President Miguel de la Madrid on his visit to Japan and China.

The delegation includes Bernardo Sepulveda Amor, foreign secretary; Gustavo Petricioli, Mexican finance and public credit secretary; Carlos Salinas de Gortari, programing and budget secretary; Alfredo del Mazo Gonzalez, energy, mines and parastate industry secretary; Hector Hernandez Cervantes, commerce and industrial development secretary.

Also accompanying the president will be Antonio Riva Palacio, Senate leader; General Carlos H. Bermudez, presidential chief of staff; Mario Ramon Beteta, Pemex director; and Julio Rodolfo Moctezuma Cid, director of Somex [Mexican Association for Industrial Credit].

Manuel Alonso Munoz, general director of social communication for the Mexican presidency, and Emilio Gamboa Patron, presidential secretary, compose the rest of the delegation.

Beteta and Moctezuma Cid will return to Mexico after they conclude their official activities in Japan.

Eduardo Pesqueira Olea, agriculture and water resources secretary, will join the delegation in China.

De la Madrid Begins Trip

FL282315 Mexico City NOTIMEX in Spanish 2245 GMT 28 Nov 86

[Text] Mexico City, 28 Nov (NOTIMEX) -- Today, Mexican President Miguel de la Madrid began a 12-day trip that will include official visits to Japan and China from 30 November to 11 December.

The Mexican head of state arrived at the Mexico City International Airport at 10:40 local time and was met by members of the presidential cabinet, PRI leaders, and members of the congress.

The Mexican president departed Mexico City at 11:00 hours. He was accompanied by the secretaries of foreign relations; finance and public credit; energy, mines, and parastate industries; and commerce and industrial development.

On 30 November, President Miguel de la Madrid will begin a 5-day official visit to Japan. He will hold meetings with Japanese Government high-level officials. De la Madrid will travel to the PRC on 4 December and will stay in China until 11 December where he will also hold talks with Chinese Government high-level officials.

De la Madrid is expected in Mexico on 11 December.

OPPOSITION DOCUMENT DEMANDS RESPECT FOR VOTE

For the text of the "Declaration of the Forum for Effective Suffrage," issued in Mexico City by leading national opposition political groups and individuals on 7 September 1986, see the JPRS LATIN AMERICA REPORT of 7 November 1986 (JPRS-LAM-86-105), pp 98-102.

SALINAS ANNOUNCES LIVESTOCK-AGRICULTURE BUDGET

FL280328 Mexico City NOTIMEX in Spanish 0208 GMT 28 Nov 86

[Excerpt] Mexico City, 27 Nov, (NOTIMEX) -- Mexican Programming and Budget Secretary Carlos Salinas Gotari has announced that the federal government has allocated in its 1987 budget 2.920 trillion pesos for the livestock-agriculture sector. This is 15 percent more compared to this year.

Salinas made the announcement during a National Peasants Confederaton [CNC] meeting attended by the secretaries of finance, Gustavo Petricioli, agriculture and water resources, Eduardo Pesqueira Olea, and agrarian reform, Rafael Rodriguez Barrera as well as representatives of the livestock agriculture cabinet representatives and leaders of peasant trade unions.

During the 1987 budget meeting for the livestock-agriculture sector headed by CNC leader Hector Hugo Olivares Ventura, Salinas Gotari asserted that the government acknowledges that the countryside is experiencing problems and firm and decisive actions need to be taken in all fronts. Thus, next year's goal will be to strengthen the countryside's productive capabilities and improve the peasants' lifestyle.

He underscored that the 1987 budget continues to give priority to the national program of comprehensive rural development which is aimed at increasing the producer's income and improving people's living conditions, especially of seasonal workers.

Salinas de Gotari reported that 691.0 billion pesos will be allocated to boost production and increase productivity. It will also be complemented by a spare parts credit program amounting to 486.8 billion pesos which will be given to the Banrural [rural bank] and FIRA [expansion unknown] programs.

Salinas de Gotari also reported that 2,535 infrastructure projects worth 58 billion pesos will be completed next year by state offices.

He noted that there are plans to channel 150 billion additional pesos for economic reactivation. It will be used for agricultural water infrastructure and drinking water.

Regarding agrarian reforms, the programming and budget secretary said a presidential decision is expected to include 750,000 hectares, 2,000 more hectares than this year. He added that the agrarian reform budget was increased by an average of 60.9 percent and it is expected to grow 84 percent in 1987. [passage omitted]

NORIEGA VIEWS ROLE OF COPECONECA IN REGION

PA271252 Panama City Circuito RPC Television in Spanish 2300 GMT 26 Nov 86

[Report from Panamanian Air Force airport in Panama City -- with portions recorded]

[Text] General Manuel Antonio Noriega, commander in chief of the Panamanian Defense Forces, said today that the meeting in Panama of the Permanent Commission of the Central American Defense Council was intended to coordinate actions between the member armies, and that its objective is to establish a balance so the increasing warmongering in the region will not be further strengthened, as it has caused destruction, chaos, and death. In his statements Gen Noriega said that in response to violence, the military cannot be a virtual spectator because the language spoken is that of rifles, shots, and missiles and not simple rhetoric.

Speaking with concern, the top Defense Forces leader said the situation requires that everyone play a role to promote stability, which in turn generates development. Summing up the Central American Defense Council, Copecondeca, meetings in Panama, Gen Noriega said the following:

[Begin recording] It is important, due to the little knowledge there is regarding the matter, for us to inform you that this organization was founded in 1953 under different historical circumstances and that Panama joined the organization as an observer. In 1973-74 Panama became an active member of Copecondeca. Our admission was signed by our diplomtic representative at that time, Mario J. de Obaldia. I must inform you that the organization has a regulation that included its cooperation in countries such as Costa Rica, Honduras, El Salvador, Guatemala, and Paname. From the beginning, Nicaragua also -- and this is included in the regulation -- had the capacity to belong to the military organization. This military organization, within its work program, had to establish itself as the OAS' regional consultation organization.

Within the framework of this information regarding the organization, I can announce that its presence here was aimed at reporting its current regulations, administrative problems, and to consult with Panama as a member of the organization, regarding future meetings and future work concepts. [end recording]

Upon referring to Panama's military position and role in Copecondeca, the Defense Forces commander in chief said the following:

[Begin recording] [Noriega] Panama's role, militarily speaking, cannot be careless or uncoordinated regarding our country's international policy, nor toward the political concept of Contadora, which is managed by the foreign minister. Therefore, we cannot treat Contadora differently than the foreign minister does. We must act in accordance with the realities of our country and our policies, and as a member of the Third World and a government of a nation where there is ideological pluralism, we must keep our principles of defense and security.

[RPC Television news director Julio Miller] General, then is there a resurgence of the military body, and is its intention to confront communism, specifically the danger that Nicaragua represents for some sectors?

[Noriega] In reality, Copecondeca has not ceased to exist. It has its headquarters in Guatemala, and it has never stopped working. There are delegates from all the countries in Guatemala, and they have been working. They have consulted with and advised the OAS. All of the OAS' recent decisions have resulted from Copecondeca's work. This means that the organization has been in operation, but it has not been at the forefront. I feel that Copecondeca's role as a military organization exists, and not against any specific nation but as a military concept, and its regulations should be updated. They should be updated because they were conceived and created during a historic period in which Copecondeca was believed to be connected with Anastasio Somoza. Somoza is a fact of history in Central America. Therefore, this organization as a military organization should update its work concepts.

[Miller] General, there are questions surrounding the role of the military organization as a body that banishes diplomats and civilians from international affairs. What is your opinion?

[Noriega] No. On the contrary, at the last Contadora meeting, the consensus was that Contadora's concepts and military advice should be reinforced. In other words, there should be unity between classic diplomacy and the reality of military concepts. Why? Because the war is military. The war in Central America is one of shots, rifles, cannons, missiles, and airplanes, not a war of rhetoric. It is a real war, with deaths, in which the Salvadoran soldiers and the insurgents give their lives. Therefore, this is the reality we should keep in mind when dealing with military concepts.

[Miller] General, in this perspective, does Panama have any commitments to the organization?

[Noriega] No. that organization acts upon the professional opinions of each country. Panama does not have any coercive commitment regarding aggression, nor does the organization have any coercive power to force any country to carry out aggression against another country. I repeat, Nicaragua falls within the regulations. Nicaragua simply has not participated in the administrative sense. Proof of this is that I received a message from Nicaraguan Defense Minister Humberto Ortega in which he asked certain questions regarding security.

[Miller] General, there is concern over the fact that this organization operated and reached its peak when Latin America was dominated by military governments. In your opinion, will this resurgence of Copecondeca mean that the organization supports military regimes in Latin America?

[Noriega] No, because if you observe the political evolution of people, you will see that it is cyclical. Yesterday there were military organizations, today there are civilian organizations. For example, there is Guatemalan President Vinicio Cerezo's concept of reality and military enforcement; I believe RPC Television broadcast President Cerezo's news conference. There is also Salvadoran President Duarte, and he and Cerezo belong to the same political group, the Christian Democratic Party.

I see how they coordinate, support, sustain, and accept the organization as subordinate to their governments. Their delegates are subject to Guatemalan policy, Salvadoran policy, Honduran policy, and even to the policy of Costa Rican President Oscar Arias.

[Miller] General, in conclusion, is the organization a form of balance in response to the increasing warmongering in Central America?

[Noriega] Correct. That is exactly the Panamanian viewpoint; Panama is aware of the fact that we are part of an existing organization, which cannot be ignored precisely because it does exist. We must neutralize the war, establish a balance of the violence [as heard] and seek military means to reduce the arms buildup, tension, and aggressions. [end recording]

REGALADO 'CANNOT FORESEE' WAR IN CENTRAL AMERICA

PA270235 Panama City Circuito RPC Television in Spanish 2300 GMT 26 Nov 86

[Text] This morning General Humberto Regalado, Honduran defense minister and commander in chief of the Honduran Armed Forces, left Panama. He was seen off at the Panamanian Air Force airport by General Manuel Antonio Noriega, commander in chief of the Panamanian Defense Forces, and members of the General Staff.

At a strictly military ceremony, Noriega and Regalado reviewed the troops. Before playing the national anthems of both countries, the Panamanian military troops rendered honors to Gen Regalado.

A few moments before boarding the Honduran Air Force FAH-002 airplane, Gen Regalado made a brief statement to RPC Television regarding the role of the permanent commission of the Central American Defense Council.

[Begin recording] [Regalado] I have spoken with Gen Noriega. I am interested in contributing to peace in the region, and this is what I discussed with the commander of the Panamanian Defense Forces.

[RPC Television news director Julio Miller] Gen Regalado, what is your opinion of the danger Nicaragua represents along the Honduran border?

[Regalado] The danger is imminent, not only for Honduras but for the entire region. I know what the communist Marxist-Leninist strategy is, and with its desire to expand the entire Central American area is in danger.

[Miller] Do you see the possibility of a generalized war in Central America?

[Regalado] I cannot foresee this because circumstances would have to be very special. I would not dare to say yes or no. Our policy or strategy is based upon economic support of the government so that we can generate jobs, so the people can have their sources of employment, and our internal front can be strengthened. [end recording]

COSTA RICA

ARIAS ATTACKS VEGA ON U.S. SENATOR'S REPORT

PA281803 San Jose Radio Reloj in Spanish 1200 GMT 28 Nov 86

[Text] President Oscar Arias has said he believes the article published in Mexico about drug trafficking, an article that Deputy Vega Chavez has attributed to U.S. Senator John Kerry, was produced in Costa Rica. Arias said he has the impression that if Vega ever tells the truth about anything it would be by mistake because so far everything he has said are lies.

Arias said he does not know Senator John Kerry and the only letter the senator has sent him was one received on 8 May of this year when he, Arias, was sworn in as president. He also denied reports that during his visit to New York in September of this year, he met with the U.S. politician, who supposedly gave him a document listing the names of politicians involved in drug trafficking.

The president said it is bad for Costa Rica when some people lie and lie to see the effects. He said this when commenting on the latest statements by Social Christian Unity Party Deputy Ademar Vega. Arias said the document the deputy has shown the media was published in several newspapers, including the Mexican daily EL DIA, by newsmen who according to Arias, are in favor of Sandinism. Arias said he had received a copy of that newspaper article and that he sent it to several news media directors. He said that article does not mention any Costa Rican politician. In summarizing the article, the president noted that it hints that all Nicaraguan and Cuban counterrevolutionaries are involved in drug trafficking, a charge that according to Arias, is not too serious.

Arias said these types of charges serve Sandinism. He said that by creating a smokescreen that says he covers up the drug trafficking activities of his political friends, the interests of the Nicaraguan Government are served.

President Oscar Arias said that the Mexican article entitled "Report by Senator Kerry" pretends the report was prepared by advisers of the U.S. politician, who did research in Costa Rica and then prepared the document in the United States. Arias said there is no justification for doing so much harm to Costa Rica and serving the interests of Nicaragua for the sake of harming the government. He said it is not true that he prevented Deputy Alex Solis from participating in a television program on drug trafficking.

Deputy Ademar Vega has presented a copy of the report prepared by U.S. Senator John F. Kerry. In the report, the U.S. senator mentions Costa Ricans and foreigners involved in arms smuggling and drug trafficking. The document is in English but the main aspects of the report appear in the Mexican newspaper article, he reported yesterday.

This way, Deputy Vega has exposed the lie by Deputy Alex Solis, who called him irresponsible and a liar and challenged him to prove what he had said. With this copy, Deputy Vega has responded to the deputy from the National Liberation party. He reiterated that much of the U.S. senator's report deals with arms smuggling by the contras and that it does not go deep into the drug trafficking situation in order not to obstruct investigations. Vega said a report he will be receiving soon does deal with that matter.

The U.S. senator's document, a copy of which was presented at a news conference, could be authenticated by the U.S. Embassy in our country, Vega said. He noted this will be done taking into consideration the fact that the copy is not signed and has no stamp on it. It does have the logo of the U.S. Senate, and the title of the document: "Private Assistance and the Contras and (?Staff) Report." [title given in English]

Vega said he trusts the translation of the Mexican newspaper is accurate, and that accuracy has been made evident. Vega said there are witnesses who can testify the document was delivered to the president of the republic. These witnesses will testify at a special commission meeting but that commission has not been convoked yet.

John Hull, a U.S. citizen who lives in northern Costa Rica, is facing a trial in the United States for drug trafficking. His record shows that he had been receiving $25,000 for each plane that landed at his farm with cocaine, Deputy Vega stated.

Vega said he does not know if important people in this country are involved in drug trafficking, but the document provides names of Costa Ricans and foreigners from the commerce and industrial sectors who are viewed as suspects. He said the report has a second part that someone has promised to send to him. He noted that he cannot presently go into details on the drug trafficking situation because he does not have evidence.

He concluded by stating that [former Costa Rican President] Daniel Oduber has sent a letter to the special commission denying that his La Flora farm had been used as an airfield for drug trafficking or that someone ever proposed such usage to him. LA NACION directors, in trying to link me with drug trafficking activities, are making evident their anger over a suit in which they are the accused party, Oduber has stated. He said he had been expecting a report on this for several weeks because he had learned about the efforts LA NACION has been making to find evidence linking him to drug trafficking. Daniel Oduber said that just because some people indicted in the United States spoke about making arrangements to use an airport at La Flora farm, this was enough for LA NACION to continue insisting that he is involved in drug trafficking. This is something LA NACION has been doing for 40 years, Oduber said.

What the LA NACION people don't understand is that this playing with somebody else's honor is very costly to the country and inflicts moral damage to relatives and other people, Oduber said. He added: In Costa Rica, freedom of the press is in danger because of the irresponsibility of people who think they are above the law and have the right to judge and condemn, in their headlines and chronicles, Costa Ricans who do not belong to their group. However, those people excuse everything done by their own group.

Everything should be handled by the courts -- which are still independent -- with the support of public powers and responsible media, so we may truly put an end to the deadly plague of drug trafficking and to this dangerous deterioration of freedom of the press, former President Oduber said.

NICARAGUAN REBELS APPROVE RIGHTS CHARTER

PA260323 Hamburg DPA in Spanish 2227 GMT 25 Nov 86

[Text] San Jose, 25 Nov (DPA) -- The assembly of the Nicaraguan Opposition Unity (UNO), comprised of 13 anti-Sandinist organizations, today in San Jose approved by a consensus the "charter on the rights, freedoms, and guarantees of the Nicaraguan people." This charter will be implemented when the current Nicaraguan Government is overthrown.

The "charter" was approved during a solemn ceremony. According to Assembly President Fuad Farach, the charter represents "the moral and political basis for the future government of Nicaragua." At the same time and by a consensus the assembly ratified the basic government plan.

Leaders Alfonso Robelo and Arturo Ernesto Cruz received the applause of those of those who attended the meeting held at the Cariari Hotel and a strong round of applause was also heard for Adolfo Calero, top FDN leader who was not present at the meeting. Calero was not able to attend the meeting in Costa Rica because President Arias' government prevented him from doing so.

In the "charter" approved this afternoon during the closing session of the UNO assembly it was decided among other things to "proclaim to the heroic people of Nicaragua and the democratic countries of the world the historic commitment undertaken by the political, union, and business organizations in exile, which are UNO members." This commitment is summarized in the following points to be fulfilled when power is assumed in Nicaragua following the victory over the communist government of the Sandinists:

1. Individual rights and freedoms of all the Nicaraguan people. Equality for all before the law; recognition of the legal rights of all the Nicaraguan people: the right to life; the right to individual freedom and fair trial if the person is involved in a criminal action.

2. Political rights for all the Nicaraguan people and the right to vote and be elected in free elections. No Nicaraguan can be deprived of his citizenship. All Nicaraguans have the right to associate, travel freely in national territory without conditions, and all Nicaraguans have the right to express themselves freely without being subject to censorship. Censorship of the group communications media will be banned.

Within the political rights, the charter reestablishes the right of the Nicaraguan people to appeal before the courts any decision made by the government, and the right of the Nicaraguan people to family privacy will also be guaranteed. The charter established that Nicaragua will be a territory of asylum for any person being persecuted for political reasons.

3. Economic and social rights: Private property as a natural and social right will be fully recognized and guaranteed. This paragraph stresses the following points:

a. Every Nicaraguan has the right to own and enjoy his property.
b. Freedom of trade, industry, and enterprise will be guaranteed.
c. Monopolies are banned.
d. A law will regulate rent.
e. Foreign investment will be promoted.
f. An overall agrarian reform will be created.

g. The creation of the family inheritance [patrimonio familiar] will be attempted.
h. New taxes can only be created if ordered by the law.
i. The participation of workers in the enterprise administration will be promoted.
j. The dignity of work is recognized, and it is established that health is a right of all Nicaraguans. All Nicaraguans have the right to an education.

4. Suspension of rights: Only in the case of war, public danger, or an emergency, will the legislative branch be authorized to decree the suspension of rights.

The UNO assembly approved the general outline of the program for government that would be established in Nicaragua for 1 year, after which it would call elections for a constituent assembly. The basic program is as follows:

1. Democratization, with ideological pluralism and the participation of all sectors.
2. The establishment of a de jure state that would ensure equality under the law.
3. Creation of an autonomous electoral system that will guarantee the popular will.
4. A general amnesty decree for political crimes.
5. Recognition of the family as the foundation of society.
6. Adoption of a foreign policy that will guarantee peace and strengthen Nicaragua's independence and sovereignty.

The government program also provides for the reorganization of the judicial branch, municipal autonomy, reorganization of public administration, incentive policies to promote private activity, and reorganization of the foreign debt.

The UNO assembly members who signed the document -- beginning with the hierarchy formed by former members of the Sandinist Junta, Alfonso Robelo and Arturo Ernesto Cruz -- are the following:

1. Conservative Party of Nicaragua: Oscar Stadthagen, Vicente Rappacioli, Jose Salinas, and Jose Robelo.
2. Nicaraguan Democratic Pomentation [Pomento Democratico Nicaraguense]: Jose Medina, Enrique Sanchez.
3. KISAN [Unity of the Nicaraguan Atlantic Coast Indigenous Peoples]: Donovan Brautigan, Modesto Watson.
4. Nicaraguan Democratic Movement: Alvaro Icaza, Roberto Urroz, Alfredo Guzman.
5. Nicaraguan Democratic Union: Tirso Zeledon, Jaime Martinez, Carlos Duquestrada, Alejandro Mora.
6. Constitutionalist Liberal Party: Enrique Pereira, Arnoldo Ramirez, Rodolfo Jerez, Fernando Abaun.
7. Independent Liberal Party: Porfirio Molina, Adolfo Gabuardi, Juan Jose Sandino, Alberto Cortes.
8. Nicaraguan Private Enterprise: Fuad Farach, Gilberto Serrano, Marcelo Lacayo, Jaime Gonzalez, Alvaro Montealegre.
9. Social Christian Party: Dolores Tuckler, Roberto Ferrey, Anibal Ibarra, Marta Guevara.
10. Social Democratic Movement: Wilfredo Montalban, Jorge Irias, Orlando Prado, Guillermo Potoy.
11. Democratic Workers' Committee: Marvin Campos Guillermo Araica, Jose F. Martinez, Leonel Morales.
12. Democratic Workers' Solidarity: Carlos Martinez, Maria Auxiliadora Urbina, Rosario Vega, Alejandro Arnuero
13. Democratic Action: Juan Jose Ordonez, Coco Zelaya, Alejandro Velasquez, Pedro Barquero.

The assembly members closed the meeting this afternoon by singing the Nicaraguan national anthem. Raising their arms, they swore to "struggle to the death to topple the Nicaraguan communist tyranny."

Observers from Guatemala, the United States, El Salvador, Honduras, Venezuela, Colombia, Panama, and Ecuador participated.

At the end the asssembly members proclaimed: "Now for the final struggle in favor of the Nicaraguan people; very soon we will reach Managua."

HONDURAS

U.S. TROOP EXERCISE 'RUMORS' ALARM RESIDENTS

PA011638 Panama City ACAN in Spanish 1537 GMT 1 Dec 86

[Text] Tegucigalpa, 1 Dec (ACAN-EFE) -- According to press reports issued today, U.S. troops stationed in Honduras have mobilized toward the eastern department of El Paraiso, which borders Nicaragua.

A total of 25 military vehicles equipped with sophisticated communications antennas were seen yesterday on the road from Tegucigalpa to Danli, a city located approximately 30 km from the Nicaraguan border.

Two Chinook helicopters which overflew eastern Honduras for 3 hours transported heavy equipment. An infantry battalion of the Honduran Armed Forces has its headquarters in El Paraiso Department.

A Honduran Army spokesman said he had no knowledge about the mobilization of U.S. troops to eastern Honduras. However, a source at the U.S. Embassy in Tegucigalpa told ACAN-EFE that the "Lempira" combined exercises, in which 100 U.S. soldiers and several Honduran military units are participating, were recently resumed. The U.S. troops are part of an artillery unit headquartered at Fort Bragg, North Carolina.

The exercise will take place in central Honduras and will include drills with artillery batteries and 105 mm units, the spokesman said. The combined troops will stage training deployments, parachuting, advanced land navigation, and mountaineous terrain reconnaissance drills, amphibious operations, scuba drills, and other lower-level exercises.

The source did not cite the specific areas in central Honduras where the maneuvers will take place. The U.S. soldiers will participate in these drills using their own artillery equipment.

The people in eastern Honduras are alarmed because of the constant rumors of possible hostilities with Nicaragua. Inhabitants of El Paraiso said yesterday that EPS troops have crossed into [han incursionado] Honduras through Espanol Grande, Espanolito, Zepeda, and Amparo.

The Honduran Foreign Ministry reiterated today that the Armed Forces have control over all of the nation's territory and the Sandinist troops have not crossed the border into Honduras.

Army Abstains From Conflict

PA011448 Paris AFP in Spanish 1349 GMT 1 Dec 86

[Excerpts] Tegucigalpa, 1 Dec (AFP) -- An undetermined number of U.S. troops were deployed yesterday afternoon near the Nicaraguan border aboard 25 jeeps [previous word in English] and military trucks in the eastern El Paraiso Department, press correspondents in the area reported today. [passage omitted]

When consulted by AFP, a U.S. Embassy spokesman said he had "no comment" concerning the report.

The correspondents said that "concern exists because of rumors of a possible armed confrontation in the El Paraiso border area." They also reaffirmed charges about displaced people in the area stemming from the Sandinist Army's "taking over positions" in the El Amparo, Espanol Grande, Expanolito, and Zepeda areas. These locations are 15 km inside Honduran territory and 240 km east of Teguciga. In that area the "contras" occupy approximately 450 sq km and maintain an operations center in Capire, according to frequent reports by coffeegrowers of El Paraiso.

The displaced people said that last Monday Sandinist troops began an offensive in Honduran territory and forced the Nicaraguan "contras" to retreat. However, the "contras" continue to hold their camps in Capire, 12 km from the rugged border area.

According to a report, a rebel commander told the people that they are incapable of repelling the Sandinist offensive and are hoping to receive support from the Honduran Army. The Honduran Army, however, does not want to get involved in the conflict. According to the correspondents, the Sandinist incursion in the area came about because of the absence of Honduran troops who were withdrawn weeks ago.

Lopez Claims Forces in 'Control'

PA020328 Tegucigalpa EL HERALDO in Spanish 1 Dec 86 p 2

[Text] The Honduran Armed Forces have full control over Honduran territory. This statement was made by Honduran Foreign Minister Carlos Lopez Contreras when approached regarding information that the Nicaraguan Army had occupied several Honduran border towns.

Lopez Contreras said the Armed Forces had informed him that they are fulfilling their duty, which is to protect the integrity of national territory, and that the reports stating otherwise are groundless. However, several delegates who attended the recent coffeegrowers' congress reported that the exodus of Honduran families from El Paraiso Department continues. These families are leaving the area because their lives and property are not being protected.

The foreign minister said these charges should be brought to the attention of the Armed Forces because the information his office has is that every inch of Honduras is being protected by the Army.

According to the reports brought by the coffee producers, some places along the border have become "ghost towns" because there is no protection for the residents who have chosen to leave and live in other areas.

Foreign Minister Lopez Contreras was very reserved when speaking of the contras. He has now joined President Jose Azcona Hoyo and General Humberto Regalado Hernandez, chief of the Honduran Armed Forces, two men who do not like to answer questions regarding the contras.

AZCONA DENIES INVOLVEMENT IN CONTRA ARMS

PA020304 San Pedro Sula TIEMPO in Spanish 29 Nov 86 p 3

[Text] Tegucigalpa -- Honduran President Jose Azcona Hoyo yesterday described the reports from Israel stating that Honduras is involved in the delivery of weapons to the Nicaraguan counterrevolutionaries as "speculation."

"This is not true; weapons for the Nicaraguan contras have not come in through Honduras; that is all speculation. They [not further identified] will always try to involve Honduras, and this is a problem. It is true that the weapons for the contras have arrived, but how these weapons reached the contras has already been explained. The weapons arriving in Honduras are for the Honduran Armed Forces," Azcona said.

Likewise, President Azcona said the crisis currently experienced by the Reagan administration will not affect Honduras: "That is a U.S. problem, and they will have to resolve it in their own way. I do not think this could harm or affect us."

Regarding the Sandinist government's proposal to withdraw the charges it presented before the International Court of Justice against Honduras and Costa Rica if these two countries agree to establish a demilitarized zone along the border, President Azcona said, "we do not have a militarized border area."

"We have few troops along our border. They [the Sandinists] would have to begin by demilitarizing Nicaragua, and that is something quite different. Nicaragua has the EPS which is 10 times the size of the Honduran Army, and it has more weapons. The weapons imbalance in Central America is caused by Nicaragua and not Honduras," the president added.

Speaking of the contra presence in Honduran territory, President Azcona said, "we want the contras to go back to Nicaragua, and we would prefer it if they went back and fought a civic battle. We would like to see the Nicaraguan Government allow a political opening."

"We do not want more bloodshed in Nicaragua, but if the Nicaraguan Government does not allow a political opening, then the contras should go back to Nicaragua to fight. We would like them to stay in Nicaragua and out of Honduras," the president added.

In conclusion, the president said the armed clashes along the Nicaraguan border "are provocations we have been enduring for quite some time. What is important is that a way be found for Nicaragua to take the democratic path so there can be tranquillity in the Central American area just like the tranquillity we enjoy in Honduras."

NICARAGUA

GOVERNMENT DENIES KNOWLEDGE OF TROOP MOVEMENT

PA011625 Paris AFP in Spanish 1606 GMT 1 Dec 86

[Text] Managua, 1 Dec (AFP) -- The Public Relations Directorate of the Nicaraguan Defense Ministry has claimed "not to have any information" regarding the alleged mobilization of U.S. troops at the Honduran border area. An official of the Defense Ministry Public Relations Directorate said in Managua: "For the time being, we do not have any reports regarding that situation."

Dispatches coming from Tegucigalpa reported early this morning that U.S. troops stationed in Honduras were moving toward the border with Nicaragua in military vehicles, while two helicopters transported war materiel.

Meanwhile, the U.S. Pentagon described reports that army officers were moving toward the border with Nicaragua as "inaccurate."

ORTEGA STRESSES DANGER OF U.S. INVASION

PA281922 Managua Radio Sandino in Spanish 1200 GMT 28 Nov 86

[Text] The secret transfer of funds to the contras by the Reagan government through the sale of arms to Iran could accelerate the possibility of an invasion of Nicaragua by U.S. troops, President Daniel Ortega said on noting the presence of U.S. warships off the Nicaraguan coasts.

President Ortega reported that there is a real and immediate danger of an invasion, stating that it is possible that President Reagan in an act of even greater irresponsibility, will move against Nicaragua. The Nicaraguan president stated this to journalists after participating in the 14th general assembly of the Inter-American Social Security Conference, which is being attended by approximately 40 delegates of 15 Latin American countries.

This is the moment for President Reagan to end his policy and seek peace, President Ortega stressed. He also reiterated his government's willingness to speak with the U.S. President or his representatives to establish the groundwork for peace.

RAMIREZ ACCUSES U.S. OF LAW VIOLATIONS

PA010441 Mexico City Red Nacional 13 Imevision Television in Spanish 0130 GMT 1 Dec 86

[Text] Upon arriving in Mexico, Nicaraguan Vice President Sergio Ramirez Mercado asserted that the United States has violated all international laws and domestic laws as well as its own.

[Begin Ramirez recording] The United States has completely violated and disregarded all the laws of the country, those laws forbidding support for the counterrevolutionaries and those forbidding arms traffic to the Iranian Government. Now, the Reagan administration is subject to investigations we hope will disclose in greater detail its role in this operation. [end recording]

Ramirez added that the U.S. Congress justifies its continued support of the contras through federal law. He said there are presently U.S. battleships off the Nicaraguan coast. The United States wants to provoke a military conflict with Honduras. In addition, the U.S. Government wants to open a counterrevolutionary training center in Costa Rica. He said: Our greatest fear is that this will serve to escalate aggression against our country.

As for the Nicaraguan-Costa Rican border conflict, Ramirez said that once Costa Rica accepts a joint vigilance and border security system, the lawsuit at the The Hague International Court of Justice will be withdrawn. Finally, he said Costa Rican President Oscar Arias is a victim of the U.S. policy of imposition.

GOVERNMENT OFFICIALS CANCEL VISIT TO ISRAEL

PA301630 Madrid EFE in Spanish 1257 GMT 30 Nov 86

[By Elias Zaldivar]

[Excerpts] Jerusalem, 30 Nov (EFE) -- The alleged relations between Israel and the anti-Sandinists, which were denied by the Hebrew [as received] government, could apparently be the reason for the cancellation of a visit of Nicaraguan Government officials.

The reason for cancellation of the visit, which was announced by telephone from Managua this weekend, was not explained. According to sources from the socialist party MAPAM [United Workers Party], which was supposed to welcome the Sandinist officials in Israel, the visit has been postponed.

Tomorrow, Socialist deputy Jaika Grosman [name as received] will ask the Israeli parliament to "explain what is happening" regarding the connection between Israel and the contras.

The Sandinist delegation, which had been planning this visit for about 2 years, was supposed to be headed by Gloriela Cardenal of the Agrarian Reform Investigations Institute [Instituto de Investigaciones de la Reforma Agraria]. A spokesman of the opposition socialist party said: "We were told that the reasons for the cancellation of the visit were explained in an official letter" that has not arrived yet.

MAPAM International Relations Secretary Abraham Rozenkier [name as received], who accompanied deputy Grosman to Managua in 1984, said today that the visit could be canceled. [passage omitted]

The Nicaraguan decision to visit Israel could have been affected by the negotiations carried out during the last few weeks in Tegucigalpa in connection with supplying U.S.-made F-5 combat planes or Israeli-made Kfir planes to the Honduran Armed Forces. [passage omitted]

Nicaragua broke relations with Israel in 1982, after the invasion of Lebanon; and leftist Israeli political sectors considered the visit of the Nicaraguan delegation as a "first step" toward the resumption of bilateral relations.

DEFERRED 3RD CONGRESS PROCEEDINGS REPORTED

Castro Statement

FLG11415 Havana Television Service in Spanish 0000 GMT 1 Dec 86

[Statements by Cuban President Fidel Castro at the 30 November session of the Third Congress of Cuba's Communist Party, being held at Havana's Palace of Conventions -- recorded]

[Excerpts] [Castro] Could anybody here explain to this congress what has caused the chaos and tremendous anarchy in connection with this problem of norms and wages? Who is going to try to explain it? Panchito, stay there. Let us disuss this a little bit if someone explains the reason for these things.

[Delegate from Santiago de Cuba construction sector] Commander, we have been working in the construction sector 40 years uninterruptedly. [passage omitted deals with his sector's efforts; that he feels workers are being paid to perform with quality; that there should be no premium payment for quality; that Santiago de Cuba's construction workers are determined to eliminate lost time and work more; that everybody should face up to this struggle, which is bigger now; that a solution must be found to payment of chronic sick days because in the old days -- capitalist system -- workers had a maximum number of sick days a year]

[Castro] You have said twice that you will work hard to achieve a 90-percent fulfillment rate of the workday in the construction sector. Do you possibly remember or have information on the fulfillment rate of the workday during the days of the capitalist system?

[Delegate] In the days of capitalism we had to achieve high fulfillment rate or else we would be fired.

[Castro] What is the current fulfillment rate in the construction sector?

[Delegate] Commander, it is low. I do not believe it is higher than 75 or 76 percent. It is low.

[Castro] Not everybody reaches the 75 percent.

[Delegate interrupts to correct his figures to 85 percent.]

In the days of capitalism they talked about 85 percent. They appeared to be very knowledgeable. They had already raised the level, and adopted a number of measures, such as having one man bringing the snacks to the rest at their work stations. In other words, the disorder caused by having each man get his snack was eliminated. I know of a case of a construction site where everybody would abandon his work station and walk downstairs to a certain location to get their snacks. In that site [nuclear power plant] the workers have to meet a lot of requirements because every so often the work has to be evaluated, no one can play with the quality there, be it the concrete, welding, everything.

They talked about 85-percent rate. It would be good to base statistics on previous rates. Some of these norms are totally new because they deal with new types of production, new equipment, but there must be other records from the days of capitalism.

It would be good to compare with the starting point for those norms. It would be a good comparison with the productivity or work norms during capitalism generally, all that has been incredibly distorted.

Panchito reports that we have 20,000 persons setting norms throughout the country. That covers how many workers?

[Someone responds: 3,154,000] I am referring to the number of workers. I mean the work centers where those norms are applied. [delegate says he has the information but has to look for it] Could it be 1.2 million? You mean to tell me we have nearly two persons setting norms for every 100. What have they done? In the report you sent this was mentioned, that many of these persons setting norms are being used for something else, in addition to their regular duties. A universal disorder has been created with this thing of norms and wages. There is an infinite number of norms, at least an infinite number of different situations. In sum, each person can do as he or she pleases in this matter.

There was a time when there was discipline in matters dealing with wages, but then came the chaos. We have not known how to handle this situation. We now have chaos in our hands. Party members are now struggling against that chaos at the grass roots level. During all the municipal and provincial assembly meetings these things were examined.

What the comrade from Santiago de Cuba said is a great truth. They have tried to buy out the workers. They have tried to solve all the problems by throwing money at them. Everything has become an excuse for giving money. I say this is one of the more serious problems we now have. In reality, it is easy to give money. It is easy to create all these perverse habits in the production area. What is difficult is to correct the wrongs; what is difficult is to eliminate them. There must be a large number of demagogues running around out there, many opportunists, or many irresponsible people, many unconcerned, as he called them, or many so-called populists, or many father figures in order for this tremendous chaos to be created, as they have done in many areas. It can be said that each of these mechanisms have degenerated. The norms have degenerated. The premium payments have degenerated. Everything has degenerated.

Why? Why that trend? How can we build socialism in that manner! This is one of the more serious problems facing the country. One of more serious problems facing the party, one of the more difficult battles. That is why the comrade was given such prolonged applause, because he put his finger on the sore, which is not caring for what happens, trying to solve everything with money, and the lack of courage to face up to the problems. There is a lot of information here from the municipalities outlining what has been done by the chiefs of brigades. They were way above the norm; it was a lot, excessive. What was done is it was redistributed among the days of the week, days when there was no work performed. Can you imagine the cheating involved? Others applied all types of premium payments, premium payments which were inadequate, obsolete. What is going on, what is seen happening in this and other things is incredible. What is going on with respect to norms and wages is a battle for the revolution. Not everybody understands. It is not easy as you listen to some who claim that money is not given to them because we do not want to give them money. The problem is that no more money is given because there is none to give.

Why continue to give money which does not correspond with the production? Why continue to deceive the people? There is a lack of knowledge. Perhaps when ideology is discussed, this topic will also be taken up because this is ideology. Many people do not understand that the socialist state, any state, any system cannot give what it does not have. Much less it will have it if there is no production, if money is given without productive support.

I am sure that the inflated payrolls, excessive sums of money given to the people, idle inventories, the waste...there has to be a lot of that with the large number of unprofitable enterprises we have throughout the country. They continue to be unprofitable despite the fact that prices have been raised.

We are here today to discuss all problems. A comrade of the people's government raised the problem of payrolls. That is one of the more infernal vices we are enduring because of a number of reasons, be it unconcerned people, father figure attitude, favoritism, and sometimes even cronyism. With the free enterprise, some of these vices have proliferated. Also have been caused by erroneous concepts that have been implemented. Perhaps, this has come from the top, dressing all enterprises the same way, the same payroll as if they all were exactly the same.

Recently, when it was decided to create the municipal agriculture offices to take care of the peasant sector, the cooperatives, one thing that was discussed extensively with the comrades in the agriculture ministry was, first of all, if there was a need for that type of office in all municipalities. There were places where everything was sugarcane and there was no need for such an office. We discussed whether the same number of office personnel was needed in all municipalities. Agreement was reached that some municipalities have agricultural importance, a lot of land being exploited, and others have practically none. There was no need for assigning the same number of office personnel in places where there is no agriculture than in places where there is a lot. It was decided to assign the personnel according to each municipality's need. This is an old ill. It must have started during the days of capitalism when there was a desire for the bureaucratic positions. There must have been quite a bit of social pressures in that direction. This is a problem which cannot be approached the same way everytime.

There is never the same situation in different regions of the country. There is not the same urgency to take care of these problems in locations where manpower is scarce, contrary to those locations where there is a surplus of manpower. It is more urgent in some places than in others.

For example, in the discussions held in the municipalities, the point of excessive payrolls was raised. It was discovered that there were excessive payrolls. No, nobody has discovered an excessive payroll. The day someone discovers excessive payrolls, it will be noted that 70 percent in many offices is not needed, for whatever reasons. We have invented the official statistics of one type or another. All that has been created.

But you cannot imagine how many people are not needed. Many times I have tried to figure out these mysteries of the qualifier of charges. That post invented especially for one man who cannot fulfill 8 hours of work according to his job description. There must be a large number of factors affecting that.

The statistics, the qualifiers, the inventions brought up here; inventions of all kinds; all types of vices that have been introduced. If we do not raise the awareness and eradicate them, then we will not be able to build socialism. But, there is no way of knowing how many people are not needed.

I have an example in the international film school. Many foreigners are trained there, many of whom are professionals. While there, I said let us discuss the payroll. How is the payroll going to be. We had some experience from the new genetics engineering and biotechnology center, the description of each position to achieve productivity.

There they have three men cooking for more than 300 persons. It will have four, but the number of persons eating at the center will also increase. The center cooks for two or three places and also for a hotel lodging the students. How many people were planned for that kitchen? The plan called for 60 persons. The center would have had more people in the kitchen than eating, or in the school. Well, they said: 'a,' 'b,' 'c.' One was dining room 'a' calls for so many. Well, I believe there are four there, not 60. As it was done in the genetics engineering center, it was agreed to have irregular schedules, multiskills. Probably there are 60 workers in the entire center. It had been planned that the kitchen be assigned 60 persons, that they were needed. Who was the nut that made those plans and job description!

In this manner, all the service centers have been filled with people this way. That is why I say the party has not yet figured out the number of people not needed, above all, in many service centers and offices. I will not say in the factories. What would be painful is to have a lack of people to cultivate vegetables, coffee, cacao, to produce what is fundamental for the country, even painful. In the provinces and municipalities where a census taken of the people not studying or working, young people, a large percentage, rejected the call for joining productive tasks such as construction. If the builders would build as they should, there would be many in the sector that are not needed. Those young people refused to go to do construction work as if it were dishonorable. They want anything that would not imply sweating, nothing systematic, no responsible work. There is work but they do not accept what is there. There is work in some sectors. They are not studying or working, and only a small percentage would accept the job that is offered.

I say that we do not have a clear response for those comrades struggling against excessive payrolls in the municipalities. Frankly, I do not believe we should solve the problem by leaving people without jobs. I do not believe this is the solution. I believe we should have an inventory of those who are not needed. The comrades from the State Committee for Labor and Social Security explained to me that 10,000 were not needed in public health -- 10,000 workers in public health. I do not know if that was in Havana City alone. Benavides, was that in Havana City only? That is a hypothesis, that 100,000 are not needed? I work would be done as it should be and organized as in the centers I referred to, many more would not be needed.

Since they took inventory of those not needed, we say that they are experienced workers and their experience should not be lost. We cannot send them home. But if a new hospital is opened, the Julio Trelles, next year with 500 beds -- many of those working in other hospitals have worked there and live close by -- I propose that the payroll should be rationalized at the same rate the beds are increased, at the same rate the services are increased.

Then, the personnel should be transferred to the new hospital from others where they are not needed. I believe that we should have clear in our minds the inventory of those not needed, so that when we open a new center those not needed can be transferred. But, above all, a new school, a new factory, nothing, no new enterprise should ber opened with these old vices. That is, let us not repeat, let us not continue to multiply the probem to the degree that we gain awareness and know the number of those not needed so that we will not have to fire them.

In some places like Santiago de Cuba or Granma, where there are more surplus personnel, it would create an additional problem. What we have to do is carry an inventory of the public health people not needed in Santiago. There are not a lot in Santiago because apparently there the surplus personnel has put a pressure on creating new jobs, and they now have more jobs in the eastern provinces. Other provinces have fewer because they have the problem of scarcity of manpower. Those people should be carried in inventories, not fire them now. I believe that is the prudent thing to do.

We have to gain awareness in this problem and begin applying this policy in the new centers. It would be good that each province had at least a small pilot plan of the way to organize work with the multiskill and irregular schedule system. There are several centers doing that already. They are growing more and more, above all the new centers. Using the multiskill, gentlemen, we can avoid that this thing degenerate.

I have seen somewhere an information about an irrigation project that could be done with three men, but because it showed six men in that payroll, the three would be paid the wages of the six. It could be that there is a misunderstanding about multiskills, in other words collecting another salary for doing different things. We have to be very careful. Gentlemen, I repeat, everything has degenerated.

The problems of the workers whose skills were no longer being used but remained on the payrolls [interruptos] was created because of the tobacco blue mold, which practically put an end to tobacco production. The factories had to be closed. There is where the problem emerged and, later on, became regulated. How much has this been abused! A comrade from Santiago explained how much this has been abused. The problem of the interruptos and many problems of this type have given the opening to talk about the payroll and give guidelines. Many comrades are probably waiting for responses on this.

This is the first time in the history of the revolution that the party discovers that there are workers who are not needed, because to date the party did not know this was going on in many work centers. The party militants did not know this; that is the truth. That is a new awareness as many others we are gaining in this process. I have always said there is nothing worse than underutilizing human resources. There are many things that can be done. It should be the revolution's task to seek new sources of production and services in order to use the personnel. That is the duty of the socialist state. But, the worst of all formulas is to inflate payrolls, because it degenerates people, corrupts people. It teaches them not to work. It teaches them how to do with three what one man can do.

Gentlemen, I believe that just as the most shameful thing for any man is to be called lazy, the most shameful thing for any people is to become a nation of lazy people. I believe the thing that makes any man proud is to be called a hardworking man. Millions of people on earth have no other wealth than that: to be called a good worker, a hardworking man. I believe the thing that would make our revolution and people proud would be to develop a nation of workers. Socialism cannot be conceived without that. [prolonged applause]

Socialism cannot be conceived without that. We would be deceiving ourselves if we would not adopt this program. As the Bible says, this is Godsend, everything we have talked about, everything we proposed to do. Where could it come from? Is anybody going to give it to us? Or, should we wait for somebody to give it to us? Or, should we be the ones capable of creating our needs? Can we create it without labor discipline in the midst of chaos, anarchy, without working, with unconcernedness? No, we will never get it that way. That is why I believe this is the time to discuss these problems, and we should devote most of the time of this delayed session of the congress for the party platform to examine these problems in our discussions. That is precisely part of the rectification process. If we do not rectify, if we do not radically overcome those vices, we will never be able to fulfill this or any other program.

Machadito, that is why I feel we can get great results in these discussions if the comrades come to the point and speak out. The comrades of the municipalities should speak out here. I believe many of the party secretaries are delegates to the congress. There must also be comrades from the provinces, officials at different levels. They should enlighten us on the problems we have, ideas on how to combat them. They should tell us about the problems they are facing, what they are doing, how they are struggling and, above all, they should explain to us the causes of the problems, inasmuch as we have to combat the causes of these problems.

Ventura Speaks

FL012048 Havana Television Service in Spanish 0005 GMT 1 Dec 86

[Address by Jose Ramon Machado Ventura, member of the Communist Party of Cuba Politburo, during the deferred final session of the third party congress at Havana's Palace of Conventions on 30 November -- recorded]

[Text] Comrades sitting at the presiding table, comrade delegates, and guests: All delegates present have received well in advance two pamphlets containing a summary of the reports that were used as the basis for discussion at the recent special plenary meetings of the party's provincial and municipal committees to evaluate the progress of the process to rectify mistakes and negative trends.

Because of a lack of time, it was impossible to include in these summaries the results of the discussions held during these meetings, which added to many of the subjects dealt with in the reports. Other current and important problems were also referred to which are very likely to be mentioned during this deferred session of the congress.

These conferees assessed with an objective, critical, and self-critical spirit the development of the rectification process in their respective territories by examining all the suggestions and agreements during their May and June meetings, and the ones adopted later by grassroots organizations. The results of the Central Organization of Cuban Trade Unions [CTC] meetings, the open assemblies organized by the Union of Young Communists [UJC], and the election process of the National Assembly of People's Government beginning with the nomination of candidates, were also taken into consideration. The party cadres participated and fully supported all these events.

These meetings have helped to develop closer ties among cadres, work centers, and the masses. This is the cornerstone of the work of the party. As a result of the critical remarks included in the third congress' main report and of Comrade Fidel's subsequent comments and guidelines, action could not be delayed and it was necessary to truly turn around our view of political-ideological work and party activities in general.

We are not claiming victory, but if we objectively compare the situation when we began this process with the current one, we can say that we have already put into practice the suggestions of our first secretary in the aforementioned report and his later remarks.

As we already noted, this document does not include everything. Nevertheless, its greatest value lies in the fact that it conveys and shows the initial response to the rectification process. A new style in the work of our grassroots organs and organizations is being created which we should try to maintain and improve on. We have to stress that party members attending the plenary meetings are the ones who have expressed the idea of systematizing our party's manner of action. This means that this is not an order from the top but a result of our members' true and vigorous awareness of these matters. This means that this is not an order from the top but a result of our members' true and vigorous awareness of these matters. This shows that we are in better shape to deal with any task and to overcome difficulties because among our rank and file there is complete agreement on what our style of work should be. It is necessary for the party, in addition to improving its style, to channel its action and influence the UJC and other mass organizations, especially the CTC.

This new work style should be known not for setting new mechanisms in motion but for increasing the contacts between cadres and officials, and the workers and the people. We must specify the content and aim of our visits to workers' centers, face problems courageously, clarify, inform, explain, and combat everything that leads to the evasion of responsibilities. That is, we must have a true and objective control unrelated to paperwork and cold statistics. We should never forget that the party works with men. We have to eradicate schematic practices, superfluous generalizations, and many other aberrations which have been damaging our work.

We should introduce this new style into the UJC and mass organizations. This is also a task of the party if it really wants to play the irreplaceable guiding role it is supposed to.

Comrades, Fidel's appeal for rectification requires that we look inside and outside because he himself has indicated that the party is in the best position to carry the weight of the rectification process. This means that our responsibility has grown and that we have no other choice but to implement all ideas and methods, and exercise our will.

The grass-roots organizations and the party leaders have to give an adequate and efficient response to the problems we are faced with. This is the time for us to not leave for tomorrow what we should do today. In addition to being flexible and analytical, we should be firm and unyielding toward anything that might make us veer from our principles. The time has come to struggle to achieve results, to unveil the truth no matter what it is , to forcefully combat convenience and deceit, to not allow economic disinformation or bogus achievements, to wipe out dissemblers [encubridores], to eliminate those who believe that they can escape the storm by hiding under a rock -- in this case what we have to do is to crush them with the same rock. We have to call things by their proper names, and as I said before, we have to work inwards and outwards so that the party can fulfill its mission at this time and so that the spirit of justice, of love for the working class, and of maximum responsibility in its role as builder of socialism may be present every day in our character and behavior.

We have to eradicate routine methods and styles of work. All party, UJC, and mass organization cadres should be all-round political workers. We have to break with confrontational practices [esquema frentista] in order to augment the possibilities of ideological work. We have to reach man first. We cannot weigh him down with tasks and directions. This is a fundamental problem that we have to definitely solve. We should stop and think about this and clearly understand that although specialization and the specific control of work in the higher and middle levels of management are needed, when we are dealing with grass-roots organizations and rank and file members we should do so with informative and educational criteria so that they can put themselves in the place of action -- be that at the factory, enterprise, workshop, service, establishment, or teaching place -- and so that at that level, the work group may be capable of focusing on its main task. It is obvious that in order to do this, they have to be guided by mid-level management and in this case, mainly by the municipality.

Let us not believe that our grass-roots, our rank and file, are going to improve their style of work if the municipality does not provide the development and training that allow the cadres to educate, demand, set an example, and correctly control. This comprehensive party work is made a reality at the grass-roots level. The Communist rank and file member is not concerned with the inner life at one time, with ideological affairs at another time, or with economic activities separately. The militant should be everything at the same time because these matters are not restricted to his work center. Political, economic, and social problems are inseparable. The deficiencies of one area influence the others in the same way that achievements have a positive effect in the political condition and the morale of workers. Thus, the action and plans of the rank and file and cadres have to be integrated, and of course, they need maximum preparation.

We need to learn to work like that to free ourselves and more importantly to free grass-roots organizations and the rank and file from the burden of meetings and documents which lead to trying to be first [frentismo] and to a false concept of specialization that keep them from direct contact with problems and the comprehensive action necessary to solve them in the daily political struggle.

Comrades, aside from the fact that this subject is very broad and that various topics could be addressed, I want to mention those that because of their importance will probably be discussed during this meeting. Also, they were the ones that were most frequently referred to at the plenary meetings of the municipal and provincial committee.

Regarding labor discipline and a better use of the work day, the consensus is that progress has been made, especially through the measures adopted by the party, management organizations, trade unions, UJC, and other organizations, to avoid scheduling meetings, visits, or other activities affecting the workers' schedule. Management has reacted positively and it is beginning to adopt measures to increase the levels of exigency even though it is acknowledged that there are still numerous negative examples making evident how much there is still to be done in this area.

Absenteeism and tardiness have decreased in general. Changes in some schedules at service centers have helped cut down on absenteeism and in workers leaving during working hours. Nevertheless, the point was made that despite the adopted measures the two 8-hour shifts have not been achieved in the livestock-agricultural and cane harvest sectors. Progress is acknowledged in this area but subjective and objective deficiencies are hindering this.

In general, it is believed that despite the progress made, the work day is still not being used adequately, especially Saturdays. Regarding the organization of labor and salaries, it was noted that decisive progress has been made in the elimination of the most gross and evident cases of excessive payments without productive work. Progress is also being made in the general revision of wages even though it was mentioned in many places that this process is going slowly.

In general, overtime pay has decreased but various enterprises have groups of workers with inflated salaries who do not contribute with more work. The reduction of staff has taken place in some work centers although the results are still unsatisfactory in this field. The situation of the interruptos, workers whose skills are no longer needed but who remain in the payroll, is beginning to be less serious. Participants in several plenary meetings, especially in the eastern part of the country, discussed the situation of the large surplus of workers and the difficulties encountered to convince these people to agree to work in agriculture or construction. They are mostly young people.

Appreciation has been expressed for efforts to reduce the number of models of the national statistics system and to extend the terms. Black statistics have been greatly reduced in some places. The improper use of resources was scored and strongly challenged. As a result, many leaders and workers have been penalized. Social vigilance in this respect has considerably increased, and these problems are reported by the most varied means. However, only a small part of the causes that bring about negative phenomena -- lack of control, exigency, discipline, etc -- have been solved. The fairly generalized misuse of state transportation was noted as were abuses in the use of privately-owned cars. This matter, which was dealt with in previous plenary meetings, continues to be one of the most common negative incidences among the population. Another matter discussed was the under use of agricultural machinery. Large idle inventories was a matter of concern during the plenary meetings.

For example, even though they acknowledge that the most flagrant cases of violations have been resolved and progress has been made in the implementation of Decree 82, the cadres noted several deficiencies. More work is needed, especially for the placement of the cadres.

A very important subject discussed in several plenary meetings of provincial committees and some municipalities not included in the summaries because of the time the reports were drafted. This refers to the poor, and in some cases, alarming results of the first testing [corte evaluativo] at secondary and pre-univesity schools. As problems were assessed, and deficiencies, and mistakes discussed, it was recognized at these meetings that the party is responsible in some cases because of the inconsistent attitude of certain cadres of rank and file members, an in others, because of the lack of decisive and energetic action on the part of grassroot organizations and party organs. Evidence of this is that over 2,200 party members and candidate members have been subjected to disciplinary measures as a result of mistakes uncovered during the rectification process.

In general, the need to increase the example and combativeness of Communists in every area regardless of their rank or hierarchy has been acknowledged. This should alert the party and put it in a bette position to fulfill the historical role it is supposed to carry out.

Optimism and determination to face and solve our difficulties and problems prevailed at provincial and municipal plenary meetings. It was asserted that workers and people in general in the respective areas support the rectification process and except for some isolated cases of individuals or work centers, have assumed a positive attitude. This does not exclude, of course, the need to step up political and ideological work. It was strongly stressed that the rectification process is not a temporary campaign or effort but that it is the beginning of a qualitatively superior stage with a work style that should become an integral element of the work and behavior of every revolutionary, and especially of every Communist. That new style which we already begin to see requires a new way of thinking and acting from all of us. It demands a true battle for discipline and order in every field. It needs society's acknowledgement of systematizing and perseverance, and of a daily and sustained effort in the fulfillment of duties. It also means decisive confrontation, and energetic, aggressive, and fast combat against anything that may hurt the interests of the revolution and of socialism in any area or circumstance by using the ideas and reasonings that the work of the revolution and our political and ideological principles give us in defense of the dictatorship of the proletariat. That is precisely the behavior the party and our commander in chief expects from us.

Comrades, encouraged by the spirit of the rectification process, we open the debate. You have the floor. [applause]

Session Resumes; Castros Attend

FL011629 Havana Radio Reloj Network in Spanish 1502 GMT 1 Dec 86

[Text] The debates in the deferred session of the Third Congress of the Communist Party of Cuba [PCC] have resumed. Our commander in chief, Fidel Castro, and Army General Raul Castro, first and second secretaries of the PCC, are present.

Army General Humberto Ortega Saavedra was acclaimed when he entered the hall where the plenary meeting is being held. Immediately afterward, Raul announced that the Sandinista leader is making his first official visit to Cuba as Nicaragua's minister of defense.

The first participant in the session, presided over by Esteban Iazo Hernandez, member of the Politburo and first secretary in Santiago de Cuba, was Miriam Heredia, party secretary at the Raquel Perez Preparatory School in San Jose de la Lajas. She said that teachers should be where they are assigned, and proposed an inquiry to find out where trained teachers go, in order to guarantee the quality of education.

Professor Heredia made a brief analysis of the problems that have affected the quality of education. The delegate declared that it is not a matter of making tests easier but rather of improving the training of teachers, as well as political-ideological work among both teachers and students. She stressed that it has always been said that education is the task of all, yet it has not been thus in practice. She asserted that the party, the Union of Young Communists, and the trade unions should be at the heart of this endeavor so as to increase exigency and exert more control in that area.

Pedro Octavio Armas, secretary general of the National Education, Science, and Sports Workers Union, took the floor to answer questions from several delegates on the recent education congress.

H. ORTEGA VISITS, TOURS ISLE OF YOUTH

PA011530 Managua Domestic Service in Spanish 1200 GMT 1 Dec 86

[Text] Nicaraguan Defense Minister General Humberto Ortega met yesterday with hundreds of Nicaraguan and African youths who are studying on the Isle of Youth. He want on this tour as part of his visit to Cuba.

Gen Humberto Ortega Saavedra was accompanied by Division General Arnaldo Ochoa, Cuban hero and member of the Politburo of the Central Committee, and by other Cuban Government officials.

Raul Castro, minister of the Revolutionary Armed Forces, welcomed Gen Ortega upon his arrival in Cuba last Saturday. Ortega received the corresponding honors at Cacahua Hill, where the remains of patriot Antonio Macedo are buried.

Addresses Youths

PA011721 Havana International Service in Spanish 1600 GMT 1 Dec 86

[Text] Nicaraguan Defense Minister Army General Humberto Ortega has pointed out his country's efforts to maintain the professional and technical training of new generations to ensure the fatherland's future development.

The Sandinist leader addressed youths of that Central American nation who are studying on the special Cuban municipality, the Isle of Youth. Ortega is visiting our country to honor an invitation by FAR Minister Army General Raul Castro.

During his stay in Cuba, the Nicaraguan defense minister will participate in activities to mark the 30th anniversary of the landing of the Granma and day of FAR.

HAITI

'RICE WAR' INCIDENT CLAIMS CASUALTIES

PA011942 Paris AFP in Spanish 1646 GMT 1 Dec 86

[Text] Port-au-Prince, 1 Dec (AFP) -- According to a report received by AFP today from a local correspondent, one person was killed and six others were injured on Saturday in Estere, 128 km north of Port-au-Prince. The injuries occurred during a bloody clash between supporters and opponents of cheap rice imported from the United States.

According to correspondent Edgard Bruno, who witnessed the incident, approximately 300 people armed with machetes, harpoons, and a few revolvers looted a food store on Saturday. The people had arrived in trucks from neighborhoods in Gonaives, the fourth largest city in Haiti located 152 km to the northwest of the capital.

Local residents reacted by killing one of the attackers with a machete. The attackers then returned to Gonaives and attacked more than 100 houses of Artibonite valley natives. Rice is grown in that region and the clashes caused various degrees of damage.

Ricegrowers in the Artibonite valley have for the past few weeks been waging a "rice war" by blocking the only road through Estere from trucks carrying U.S. rice. U.S. rice is imported through the Port of Gonaives and is more competitively priced.

In the past few days Gonaives residents have blocked the passage of rice from Artibonite to the north and northeast. This has intensified discontent in Artibonite, the country's main rice-producing area.

U.S. rice imported from Miami is favored by the Haitians because of its low price while rice from Artibonite is more expensive because of various factors (irrigation, land rental, and so on).

ANTIGUA AND BARBUDA

PRIME MINISTER SAYS RSS THREATENED BY COMMUNISTS

FL290102 Bridgetown CANA in English 2330 GMT 28 Nov 86

[By Louis Daniel]

[Text] St. Johns, Antigua, Nov 28, CANA -- Antigua and Barbuda's Prime Minister, Vere Bird, today charged there is a communist threat against the Regional Security System (RSS) to destabilise the member countries of the Organisation of Eastern Caribbean States (OECS).

Addressing the opening of the 10th summit of the OECS authority, Bird said communist groups in the region were determined to stir up discontent among the member states through false accusations and unfounded allegations. One of their primary targets is the Regional Security System. Both they and their supporters have sought to discredit the Regional Security System because, for some reason, they are frightened by it; they are fearful of the support the system gives to the process of democracy, Bird said.

He said events have shown that the Caribbean people, particularly the Grenadians, wanted no part of communism -- no part to play with the fire of communist ideas. This is not to say that the communist cells in the eastern Caribbean have chosen simply to pull their tails between their legs and slink away, he said. The reality is that having recognised that the Grenada massacre did considerable damage to their credibility, they have become more circumspect in their attempts to undermine democracy in the region, he added.

In 1983, a United States-led mission toppled a military junta in Grenada which had temporarily ruled the island following an internal leadership crisis in which Prime Minister Maurice Bishop was allegedly executed by soldiers. Bird added efforts should be made to establish a regional collective defence and security system, independent of all external agencies, in view of the fact that the Caribbean cannot expect to be untroubled by foreign interests in the future.

He urged the governments of St Vincent and the Grenadines and Barbados to reconsider their lukewarm support to the establishment of an RSS treaty, which is being proposed to take account of the deficiencies in the memorandum of understanding, including the need to address the issues of narcotic traffic and search and rescue. St Vincent and the Grenadines Prime Minister James Mitchell and Prime Minister Errol Barrow of Barbados have expressed reservations about an RSS treaty, but agreed to work along with the memorandum of understanding now in force.

We should not behave as if we are a region of unlimited resources, capable of establishing such a security system on our own, Bird said. Initial help must come from those friendly nations which have indicated a willingness to share our burden and with whom we share a commitment to the democratic process. The prime minister also said he saw the seven-country RSS eventually including all the countries of the 13-nation Caribbean Community (Caricom) with an option to those who want to join.

Bird also pointed to two key problems the Caribbean now faces which he said the existing memorandum of understanding does not address — narcotics trafficking and search and rescue -- and called for a collective approach to find a solution to these problems. We all know that the narcotics traffic through the Caribbean is perhaps the biggest external problem we have. It is bringing to our shores not only drug abuse by our young people, but also a rise in the crime rate, he said. It is a problem we must address and we must address it collectively. If not we will be abandoning the flower of our youth to the lure of drug addiction, he added.

He received support from St Kitts and Nevis Prime Minister Dr Kennedy Simmonds, the current chairman of the OECS, who reasserted the importance of harmonising legislation to combat the growing menace of mind-altering drugs on our societies. But Simmonds went a step further to appeal for the might of Carribean people to fight against drug abuse. I call on the people of the Caribbean to join the fight against drugs with militancy and flush out the traffickers from our midst. Let us preserve the minds of our young people so that they in turn can preserve our Caribbean, he said.

BOUTERSE BANS MEDIA REPORTS OF FIGHTING

PM281649 Amsterdam DE VOLKSKRANT in Dutch 26 Nov 86 p 1

[Elly Wempe dispatch: "Surinamese Media No Longer Allowed To Report Fighting"]

[Text] Willemstad — Yesterday the Bouterse regime banned newspapers, radio, and television from reporting the fighting in eastern Suriname. In Paramaribo yesterday, Independence Day was celebrated very soberly. Everyone had a holiday, but people stayed at home.

A reception at the presidential palace was attended by a few dozen people.

Internal Affairs Minister Wijdenbosch summoned Surinamese church leaders yesterday. He accused the churches of thwarting government policy. Last weekend the Committee of Christian Churches called on army leader Bouterse and rebel leader Brunswijk to take part in peace talks.

There is still heavy fighting in Moengo. The approximately 2,000 remaining inhabitants of the bauxite town have fled to the factory sites of the Suralco company. They want to leave for Paramaribo.

The military is still in possession of the airfield at Moengo. However, soldiers are daily deserting to the Brunswijk gang. In Moengo, seven soldiers deserted in one night. In Albina, too, the military has drawn back into its camps.

The dam at Brokopondo and the generators by the reservoir are in the hands of the Brunswijk gang. This means that the Jungle Commando could cut off the electricity supply to Paramaribo, but this has not happend yet.

From 1800 hours to 0600 hours, the military closes all roads into the capital. In the last few days dozens of Maroons [Bosnegers] have again been arrested.

The Constitutional Committee of the National Assembly, the appointed parliament, is meeting almost day and night. The intention is to arrive at a draft proposal for a democratic political structure as soon as possible.

The 25th February Movement has proposed that elections be held 1 October 1988.

ARMY ATTACKS HOUSES WHERE BRUNSWIJK GANG HIDES

FL282201 Paramaribo International Service in English 1720 GMT 28 Nov 86

[Text] Some buildings in Albina were burned after the National Army attacked houses in which members of the Brunswijk Gang were hiding. According to the SURINAME NEWS AGENCY, the national Army did not suffer loss of life and injuries [as heard]. The civilian population of the area was evacuated to Paramarbio 2 weeks ago because of the unsure situation there.

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ALFONSIN DISCUSSES DIPLOMACY, ROLE OF MILITARY

PY291640 Buenos Aires DYN in Spanish 2352 GMT 27 Nov 86

[Text] Buenos Aires, 27 Nov (DAYN) -- Speaking before officers of the three branches of the Armed Forces, President Raul Alfonsin argued today in favor of a political decision regarding military action in times of crisis, and gave diplomacy as the principal factor within this strategy, regarding the Anglo-Argentine dispute over the Malvinas Islands.

"The best strategist is not the one who knows how to win a battle, but he who is able to reach victory without having to fight one," Alfonsin said.

Alfonsin presided this afternoon over the closing ceremonies of the advanced courses of military strategy, held at the Armed Forces Joint Staff headquarters. On that occasion, Alfonsin again expressed his satisfaction over the recent UN vote favoring Argentina.

"Force should only be employed in the execution of decisions emanating from political power," the president said.

In his speech as commander in chief of the Armed Forces he recalled the position of the government on defense, which he said was based on "military reform, policy changes, intellectual modernization, the growing use of modern technology, the importance of coordinated action, and the consolidation of a joint military organization subordinated to the Constitution."

"It is our definite purpose to safeguard the sovereignty of the Republic and the preservation of the Constitution as established by law," the president said.

Alfonsin said the objective of the courses taught at the Joint Staff headquarters is "to provide theoretical and practical knowledge regarding military strategy in itself and its constant evolution in terms of an overall larger stragegy."

Alfonsin also said that one of the main goals of the course is the understanding of "the subordination of the political objectives to national objectives, as established by the Constitution, in order to generate a national policy in which the military strategy plays a role."

In another part of his speech Alfonsin said that the different strategies of the military sectors must be subordinated "to the decision made by the executive branch in each crisis."

"Accordingly, in the search of a just solution to the situation regarding national sovereignty in the South Atlantic, we have moved our focal point toward the strategy of an international policy. The result has been the recent growing consensus in favor of our claims, an obvious example is the recent vote at the UN General Assembly," Alfonsin said.

Alfonsin also stressed that "this support for the justice of our claims (is) what guarantees the peaceful action of the Republic of Argentina in our relations with other nations."

After reminding the officers that the representativity of the Argentine democratic government helps secure wider support from the international community for the Argentine position regarding the Malvinas Islands, Alfonsin said that Argentina requires from the Armed Forces "subordination to the constitutional powers, to San Martin's (ethical) model, and the understanding that force should only be used in the execution of decisions emanating from the executive branch."

JAUNARENA ON RESTORED LEAVE FOR CONSCRIPTS

PY022001 Buenos Aires TELAM in Spanish 1445 GMT 2 Dec 86

[Text] Buenos Aires, 2 Dec (TELAM) -- Defense Minister Horacio Jaunarena said today that 33 percent of the conscripts doing their compulsory military service have been granted leave starting 1 December.

Jaunarena made the announcement after presiding over the graduation ceremony of commanders and high-ranking officers of the Armed Forces who have been taking courses in joint military planning at the strategic operational level.

The discharge of conscripts had been suspended following the UK decision to extend the exclusion zone around the Malvinas islands.

COURT GIVES GENERAL CAMPS 25-YEAR SENTENCE

PY030114 Buenos Aires TELAM in Spanish 0022 GMT 3 Dec 86

[Excerpts] Buenos Aires, 2 Dec (TELAM) -- The Federal Appellate Court has sentenced General Ramon Camps, retired, to serve 25 years in prison; police officer Miguel Etchecolat, retired, to 23 years in prison; General Pablo Ovidio Richieri, retired, to 14 years in prison; police physician Dr Jorge Berges, to 4 years in prison; and Corporal Norberto Cozzani, to 4 years in prison.

The court handed down these sentences in cases involving crimes committed during repressive actions in Buenos Aires Province between 1976 and 1978. It acquitted retired police officers Luis Hector Vides and Alberto Rousse in the same cases. [passage omitted]

In a unanimous ruling, which was read by Chief Appellate Justice Guillermo Ledesma, the court contended that killing an enemy in the battlefield amid the din of battle is different from applying cruel torture to helpless people, in cold blood, inside a safe room.

Regarding the due obedience issue, the court ruled that although obedience is extremely important, it is not more important than abiding by the laws. The court cited remarks by Defense Minister Horacio Jaunarena in the Senate noting that obedience must not be exercised blindly.

The court contended that the defendants acted knowingly, aware of the harmful actions they were committing. It added that the Code of Military Justice does not permit illegal actions.

The court convicted Camps on 73 counts of torture, Etchecolatz on 20 counts of torture, and police physician Berges on two counts of aggravated torture because he is a doctor [passage omitted].

ALFONSIN, MINISTERS CONFER WITH CGT LEADERS

PY291838 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1933 GMT 28 Nov 86

[Text] Buenos Aires, 28 Nov (NA) -- Speaking to the CGT, [General Confederation of Labor] President Raul Alfonsin today reaffirmed the decision to summon labor-management arbitration boards as of 1 January, and without rejecting the CGT's request for emergency increases before the end of the year, proposed that a government-labor union commission see if a salary imbaiance occurred in 1986. The president made this suggestion because of the disagreement between government and union leaders on this point.

The government announcements, which the CGT leadership approved, were made today during the first meeting Alfonsin has held with the labor organization since its normalization.

Alfonsin also announced that the government will promote a social security emergency law which includes "significant increases" for the "most neglected" pensioners and retirees. The president also reached an agreement with the union leaders to create other commissions in charge of drawing up draft laws on work contracts, social works, and contracts for rural workers and domestic servants.

During the meeting, which took place in a "constructive, frank, and cordial" atmosphere, Alfonsin urged the CGT to remain "always open to dialogue," while CGT Secretary General Saul Ubaldini "promised the CGT's participation in strengthening the democratic system."

This information is contained in a 3-page joint communique issued at the end of the almost 2-hour meeting held this morning at Government House between President Alfonsin and 8 members of the CGT leadership.

Economy Minister Juan Sourrouille, Labor Minister Hugo Barrionuevo, Social Action Minister Conrado Storani, and presidential spokesman Jose Ignacio Lopez also attended the meeting.

The labor delegation was headed by Ubaldini, who was accompanied by Hugo Curto, Jose Pedraza, Guerino Andreoni, Pedro Boyeneche, Juan Farias, Virgilio Nunez, and Hernan Prado.

Alfonsin opened the meeting by expressing his satisfaction at the normalization of the CGT "and congratulating the leaders who were elected during the recent congress, convinced that the institutionalization of the labor organization will contribute to the strengthening of democracy and of dialogue as an essential means of ensuring social peace."

Ubaldini invited the president to the ceremony, planned for 12 December, when the new CGT leaders will assume their posts.

At the beginning of the study of the established agenda, Alfonsin confirmed the government decision to summon the labor-management arbitration boards for January, as promised by government officials at the beginning of the year during the negotiations for a social accord.

This announcement was well received by the labor leaders, who immediately requested an emergency salary increase to compensate for the deterioration in real salaries in comparison to the cost of living in the second half of this year.

This point led to an arduous discussion. Sourrouille argued that there has been no such deterioration, showing his own figures to support his argument, according to information revealed later by the labor leaders.

The discussion ended without being resolved and, at the president's proposal, the question was channeled to a joint commission that will study "salary development during 1986," the joint communique stated.

Regarding social security, Alfonsin decided to postpone sending Congress the bill that is being studied and agreed with the CGT to create another commission to analyze this subject.

Meanwhile, "the executive branch will implement an emergency measure that will include significant increases for the most neglected sectors of retirees. This measure will be sent to Congress with the intention that it shall remain in force until the general law is approved."

Congress will also consider in special sessions "the ratification of ILO convention No. 154," which grants public servants the right of collective bargaining; the bill on labor participation in state enterprises; and the bill on the subrogation [subrogacion] of the debts the CGT contracted during the military regime.

Alfonsin confirmed that he agreed representatives of active and retired workers could participate in decentralized organizations like the Comprehensive Medical Assistance Plan and the National Institute of Social Projects. He also reported that the formation of a commission which will study future social security rules for rural workers and domestic servants "has been resolved."

It was agreed that Public Health and Social Action Minister Conrado Stroani will receive leaders of the CGT in the next few days.

Concerning labor conflicts, the president "promised the greatest efforts on the part of the government to find effective and fair solutions to them."

The president stated "his conviction that modern democracy requires a strong labor organization and, therefore, he again expressed his satisfaction with the legalizaton of the CGT."

Alfonsin recognized that "in a crisis such as the present one," the relationship between the government and the labor movement "may be difficult and even conflictive," so he asked that "dialogue should always be kept open, because over and above temporary disagreements, we share the objectives of social justice and the prosperity of the people."

The joint communique stresses that Ubaldini "welcomed this appeal" and promised the participation of the CGT "in the strengthening of the democratic system, since the well-being of the nation and the defense of the interests of the workers are priorities."

In conclusion, Alfonsin told the labor leaders in advance about the measures that he later announced to the country in his speech, promising them that no public servants will be dismissed. He also gave instructions to his officials to send copies of the speech to the CGT before it was broadcast.

36,000 TO RETIRE IN PUBLIC SECTOR REFORM

PY011725 Buenos Aires DYN in Spanish 1259 GMT 30 Nov 86

[Text] Buenos Aires, 30 Nov (DYN) -- The government will try to let some 36,000 government employees go over the next 3 years through a voluntary retirement plan. Under this plan, workers will be entitled to double severance pay. The government expects the plan to have neither political nor social implications.

In 1987, high-level executive branch employees whose contracts were not established by collective bargaining will be granted higher salary readjustments, a move that seeks to increase compensation for qualified manpower.

The Economy Ministry has released a long document justifying the administrative reform and summarizing the guidelines for the salaries and professional careers of some 183,000 employees. These employees are under the executive branch, and have not been contracted under collective bargaining terms.

The reform involves a 20-percent reduction in the number of permanent and temporary employees of each section of the executive branch. This reduction will take place over the next 3 years.

It will operate through a voluntary retirement system, which employees must join by submitting an application before 31 March 1987. A sole work schedule, which will include morning and afternoon periods, will be enforced as of January 1988. This measure will prevent moonlighting, which is currently a common practice.

Those who decide to join the voluntary retirement plan will receive severance pay of at least 3,500 australes, 30 days after tendering their resignations. This severance pay might be higher, depending on the employee's current salary.

A second severance pay will be paid over 6, 8, or 12 months, depending on the employee's seniority.

Under the plan, the employees in the low salary brackets will receive almost 5,000 australes as total severance pay. This compensation can be higher, because it will be proportional to the employee's salary and seniority.

This is a summary of the explanations given in the Economy Ministry document:

-- There are too many government workers. While most salaries are low, there are "sharp salary differences" between employees of equivalent ranking or those doing the same type of work in different sections of the administrations.

-- The number of employees in the federal government and in state-run companies has decreased over the past 10 years. In the provinces, however, the number of employees has markedly increased.

-- There are 996,000 federal government employees, 84,000 Bueos Aires city hall employees, and 757,000 provincial government employees, accounting for a total of 1,837,000 public servants. Of the federal government employees, 647,000 work for the executive branch, 36,000 for the state banks, and 313,000 for the state-owned companies.

-- The number of public servants grew by 31,265 between December 1983, when the Radical Party took power, and August 1985. Since September 1985, the number of government employees has decreased by 14,642, thereby reducing to 16,623 the net increase in the number of employees admitted after the new government took power.

-- The salary readjustment plan provides for 12 consecutive periods over 3 years, each period being equivalent to 1 quarter, and a professional career structure grade 1 to 24 with proportionate salary adjustments, which will seek to increase the compensation of qualified manpower.

-- Under the new professional career structure, an employee at grade 24, whose salary on October 1986 was 572 australes, will be earning 676 australes in the first quarter of 1987, accounting for an 18.1-percent readjustment, and 986 australes in the fourth quarter of 1987, accounting for a 72-percent salary increase in 1 year. On the other hand, the lowest career-level employees, whose salary in October 1986 was of 164 australes, will receive 198 australes in the fourth quarter of 1987, accounting for a 20.5-percent annual increase. Readjutments will thus be proportionate to the employee level.

-- This plan will cover the approximately 183,000 employees whose contracts are not regulated by collective bargaining terms. Of this number, 131,468 work under the general professional career structure of the government, 48,754 are civilians working for the Armed Forces, and 2,778 work under special professional career programs.

GOVERNMENT DESIGNATES ENTEL FOR RECEIVERSHIP

PY021504 Buenos Aires DYN in Spanish 2026 GMT 1 Dec 86

[Text] Buenos Aires, 1 Dec (DYN) -- Through a decree released this afternoon at Government House, the executive branch decided to place the National Telecommunications Enterprise [ENTEL] under receivership.

Leonardo Leibson, under secretary for planning and technological management of the Communications Secretariat, was designated intervenor. Leibson will replace ENTEL's current president Jose Guerra for a period of 180 days.

OFFICIALS FURTHER DEFEND CRUZADO REFORMS

Sarney To Address Nation

PY020022 Brasilia Domestic Service in Portuguese 2100 GMT 1 Dec 86

[By Eduardo (Mancais) from Planalto Palace]

[Text] President Sarney will speak over a radio and television network this week to explain in detail the corrective changes made to the Cruzado Plan.

[Begin recording] [Mancais] The date for the radio and television presidential message has not been established yet, but it will be this week. The message will be recorded. President Sarney is now studying the outline of the message, because he wants to better explain the corrective changes made to the Cruzado Plan. Sarney will use frank and earnest langauge, according to presidential spokesman Fernando Cesar Mesquita.

[Mesquita] President Sarney intends to speak the truth, to show what the country was before the Cruzado Plan, and what the country is now. He wants to explain that these measures were adopted to preserve the values and achievements of the Cruzado Plan.

[Mancais] The president himself has made the decision to address the nation. He wants to clarify some confusing points and to explain that he adopted these measures because they were necessary. Sarney is not engaged in a petty popularity contest, the spokesman stated.

[Mesquita] President Sarney always says that, if he has to adopt apparently unpopular measures for the benefit of the country, in the best interests of the country, he will adopt them. He has a great sense of responsibility, because he has to think about the future, he has to consider the society as a whole. He cannot make decisions that would benefit only certain groups. He has to defend the interests of the entire country.

[Mancais] In his message, President Sarney will not comment on the foreign debt or, less still, on the incidents that disrupted life in Brasilia last week. The presidential spokesman said that these incidents have taught a lesson to many people. [end recording]

Funaro Confers With PFL

PY281948 Rio de Janeiro Rede Globo Television in Portuguese 0230 GMT 28 Nov 86

[Excerpts] Finance Minister Dilson Funaro responded to criticism and demonstrations against the reform of the Cruzado Plan. He has done this throughout the day.

For 3 hours this morning, Funaro met with all the PFL [Liberal Front Party] senators and answered their criticism of the measures that were announced as the Cruzado II Plan last week. According to a report by Carlos Chiarelli, Funaro agreed that it was advisable to correct and expand the restricted consumer price index after he heard suggestions from workers and business representatives.

Funaro also received expressions of support. In Sao Paulo, businessmen praised the decision by President Sarney not to accept the minister's resignation. In Brasilia, Deputy Ulysses Guimaraes said that Funaro's presence in the Finance Ministry is indispensable.

A while ago, as he came out of his office, Funaro granted an exclusive interview to reporter Marcelo Netto. The minister talked about Brazil's external crisis and today's demonstrations against the Cruzado Plan reform in Brasilia.

[Begin recording] [Funaro] We did exactly what had to be done. All people who analyze without resorting to radicalism can verify that we had only that option. Let us not forget that as soon as we promulgated the original Cruzado Plan, the CUT [Sole Workers Confederation] wanted to call a general strike. I believe that people need to understand why we do what we do, and then confer and offer suggestions. They should not just disapprove before trying to understand what we have done.

[Netto] Minister, the government is being pressured to declare a moratorium in order to confront the external crisis. What step will the government take next?

[Funaro] Negotiate, always.

[Netto] And not declare a moratorium?

[Funaro] That would be the last resort, if necessary. But we are negotiating. This is what helps us to continue the development of Brazil. Taking radical measures only hinders Brazil's development. I still believe that more can be achieved through negotiation.

[Netto] When will the negotiations effectively begin, Mr Minister?

[Funaro] In about 20 or 30 days, I will make another trip to discuss our problems with the Paris Club. This should be between 15 and 18 December. [end recording]

Funaro Addresses Industrialists

PY011418 Brasilia Radio Nacional da Amazonia Network in Portuguese 0000 GMT 1 Dec 86

[Text] The government is not going to make any more adjustments to the Cruzado Plan. However, as soon as the market becomes stable and the internal consumption slows down, the government will reduce taxes and the interest rates for the financial market.

Finance Minister Dilson Funaro made these statements yesterday, in Rio de Janeiro, during the closing ceremony of the Latin American industries' congress. According to Funaro, the government will stand fast on the adjustments it has already made and not be influenced by a demonstration that does not reflect the true feeling of the Brazilian people.

Funaro also explained that the consumers price index is restricted to five minimum salaries and that the prices of foodstuff, clothing, and health care will now be real prices.

Yesterday, Funaro met in Sao Paulo with the representatives of various enterprises to discuss the impact of the Cruzado Plan adjustment measures. He explained that the meeting did not seek the support of the businessmen, as had been stated. Funaro said that he discussed with the industrial sector what should be done in each specific area.

The minister's representative to the business sector, Paul Francini, asserted that the slowdown that the government seeks through the Cruzado Plan II will not cause an increase in the cost of manufactured goods.

According to Francini, the increases in the prices of alcohol and fuel will not affect the costs. He said that the increase of automobile prices will compel consumers to purchase vehicles when the price drops because a reduction in the manufactured goods tax is expected.

O GLOBO Interviews Sayad

PY021955 Rio De Janiero O GLOBO in Portuguese 28 Nov 86 p 22

["Highlights" of interview with Planning Minister Joao Sayad by O GLOBO reporter Consuelo Dieguez at the Planning Ministry in Brasilia on 27 November]

[Text] O GLOBO: Could you give us your opinion on the people's negative reaction to the new economic measures?

Sayad: This negative reaction was prompted by several things. First, no measure to reduce consumption is pleasant. Second, the government did not disclose the measures properly and, as a consequence, they were misinterpreted. The inflation issue is causing a great uproar that can be quieted.

O GLOBO: Doesn't the government fear that the measures to slow consumption might lead the country into a new recession, as some economists maintain?

Sayad: There is no chance of that happening. The Brazilian economy has a great inclination to grow, and it will continue to do so. The adjustment measures that were taken are only focused on slowing consumption, and I am sure that the economy will continue to grow from 6 to 7 percent after the adjustment takes place. You may rest assured that neither President Sarney nor the government intends to reduce the employment level. We must grow by 6 to 7 percent in order to create job opportunities for all Brazilians.

O GLOBO: In July the government issued a series of measures to reduce consumption, but it seems that they did not work...

Sayad: It is not that they did not work, they were just not enough.

O GLOBO: What prompted the government to adopt new adjustment measures. What did not work?

Sayad: We continued to grow at a rate of 12 percent per year. But what happens with 12-percent growth is that savings dropped. There is a shortage of products, black market prices start to appear, and a number of essential goods become scarce. In addition to all this, the balance of payments began to experience problems. If one continues to grow by 12 percent, one grows for a few months and then runs into great difficulties.

O GLOBO: Do you think this problem is under control with the new economic measures?

Sayad: I believe these measures will have a positive impact on savings and, therefore, should slow the economic growth rate. If we analyze the new measures, we will see that they complement the Cruzado Plan. Some measures were intended for the de-indexation of everything. Everything is now tied to the LBC [Central Bank Certificates], with two exemptions: The salary escalator clause as accumulated inflation reaches 20 percent, and the automatic correction of salaries by which workers will receive 60 percent of the inflation accumulated since their last pay increase went into effect. Among the measures adopted, the inflation index will be used only in these two instances. The government is committed to use the inflation index based on the workers essential consumption items -- excluding superfluous consumption goods -- in those two cases.

O GLOBO: Wouldn't that amount to making erasures in the inflation index?

Sayad: No, the index is not subject to erasures. It only excludes items such as nonessentials, cars, beverages, and cigarettes -- for obvious reasons. This means that the index will be lower for a period of time, because the prices of the excluded products have been increased. It will not be lower permanently because, when beverages and cigarettes are removed from the index, the influence of products like foodstuffs, the prices of which can be more volatile, more unstable than those of beverages and cigarettes, will be greater. This can even generate higher inflation.

O GLOBO: How do you view the criticism being leveled at the change in the inflation index?

Sayad: I believe that it is unfair, because the exclusion of the products I mentioned from the index does not necessarily make the index lower. To automatically correct workers salaries because the price of cars goes up does not make sense. The recent increase in the price of cars occurred because the IPI [Manufactured Products Tax] increased, but next the IPI will be reduced. But no one buys a car every month. If you wait until May to buy a car, it will be cheaper. Cars are not an item that should be included in the cost-of-living index, because they are items bought every 2,3, or 5 years, depending on the worker's income. Thus, it would also be absurd to include used cars in the index. The worker who bought a car lost income, but the worker who sold it gained income. Thus, it does not make sense to correct the price index because the price of used cars increased. It does not make sense for the government to intervene in the used car market, but it does make sense for it to intervene in the market for wheat, milk, rice, and beans.

O GLOBO: Why is the restricted inflation index being adopted precisely when the accumulated inflation rate was threatening to reach 20 percent by February, thus activating the escalator clause?

Sayad: Wait a minute. The index that has been used so far is the Expanded Consumer Price Index [IPCA]. The inflation rule has not been changed retroactively. The Restricted Consumer Price Index [IPCR] will henceforth be in effect.

O GLOBO: But that holds back the escalator clause...

Sayad: We will see whether the ICR will grow more slowly than the IPCA. This we will have to see. Up to now, the IPCR has grown more slowly than the IPCA. The IPCR is being used because it makes sense as part of the policy of protecting the salaries of low-income workers.

O GLOBO: Then, why did the government change the IPCA, which was in effect last year, for the IPCR?

Sayad: It was changed because the IPCA was being used to correct the Savings Books, and it was thought that it would be more representative of economic performance. But when an index is adopted only for salaries it can legitimately be said that the government has a commitment with low-income workers.

O GLOBO: After 9 months of the Cruzado Plan, one has the impression that the country is sliding back into the situation prior the Cruzado Plan. Inflation, despite the price freeze, has reached 10 percent. Interest rates are at 90 to 100 percent. The productive sector is discouraged. Our foreign reserves are below the March level. Are we sliding backward?

Sayad: No, that is incorrect. The increase in the interest rates can be explained by the effort to contain consumption and to fight black market prices. The private sector is betting on a high inflation rate. The government has to challenge that bet by raising interest rates. This is bad, very bad, but it is a short-term phenomenom. We will wait.

O GLOBO: Doesn't the government fear that the productive sector will be discouraged by increased interest rates?

Sayad: It might be discouraged over the short term, but the high interest rates should only be a short-term measure to fight inflation.

O GLOBO: How does the government expect to reverse the high interest rates?

Sayad: The high interest rates will tend to drop with the measures that have just been adopted to curb consumption.

O GLOBO: Another problem that has not been solved with the Cruzado Plan is that of the public deficit...

Sayad: The public deficit is exactly at the level announced by the government, 4.5 percent of the GDP. We hope that this year's public deficit will be lower than last year's. We hope that the deficit will be lowered by the increases in public utility rates. But we also have the problem of expenditure control to do that. The government remains committed to austerity spending and it will exert efforts to reduce the deficit.

O GLOBO: Is the 50-billion cruzado cut in state-run enterprises investments for 1987 part of that effort?

Sayad: Cuts were not made, but investments were postponed so that the economy can grow more slowly. This will be discussed with each state-run enterprise.

O GLOBO: Some questions, such as the price of milk and steel, were left pending in the package.

Sayad: Only the price of milk was left pending, not so the price of steel. The prices of intermediary products were not changed, except for the price of electricity for industry. Only the prices of final products were changed.

O GLOBO: But will the government have to review the prices of milk and steel in the near future?

Sayad: The primary condition for the government to start changing prices is that supply and demand be balanced. So far, only the prices of products with localized influence have been changed.

O GLOBO: In addition to the criticism of the population and the economists, the PMDB is also accusing the government of being opportunists by implementing these measures after the elections.

Sayad: Perhaps our anxiety in adopting measures to solve the problems of the economy has created discomfort. To adopt the measures immediately after the elections was a political error. The measures were implemented when the country was in a festive mood, and they were the type of measures that cannot be received when one is in a festive mood. But I am sure that after some discussion, the need to make these readjustments will be understood.

O GLOBO: Do you believe that the election results would have been different had these measures been taken before the elections?

Sayad: If we had proceeded to make the measures public as badly as we did, I believe that the results would have been different. But we are willing to discuss and explain the new measures until they are understood.

O GLOBO: The PMDB is proposing a hardening in the foreign debt negotiations...

Sayad: We are also defending a hardening, meaning that we will try to exact the best possible terms.

PMDB OFFICIALS WANT DEBT REPAYMENT SUSPENDED

PY021532 Rio de Janeiro Rede Globo Television in Portuguese 0125 GMT 2 Dec 86

[Text] In a document drawn up by Deputy Miguel Arraes, governor-elect of Pernambuco, PMDB [Brazilian Democratic Mobilization Party] lawmakers, ministers, and governors-elect have asked that Brazil conduct an investigation to establish which portion of the foreign debt was contracted by legitimate purposes [divida legitima], and to stop repaying the debt while the investigation is under way.

The document was delivered to PMDB President Ulysses Guimaraes today and is intended to reflect the official PMDB position on the issue. The document analyzes the role of the state alternative proposals. The PMDB intends to submit such proposals to the government before 15 December, when the negotiations over the foreign debt with the Paris Club will begin.

VEJA VIEWS TRANSFER OF NUCLEAR COMMISSION

PY281918 Rio de Janeiro VEJA in Portuguese 19 Nov 86 p 50

[Text] The idle Brazilian nuclear program, which has been sticking its hands into the public till since the early 1970's without yielding anything in return, a few days ago took a toll within its own ranks with an unexpected spurt of radioactivity. Engineer Xamuset Campello Bittencourt, a member of the National Commission for Nuclear Energy [CNEN] management, resigned because he disagreed with the course set for a delicate aspect of the nuclear issue -- that is, who runs what in this business. He left his post as a result of a decree signed by President Jose Sarney, linking the CNEN to the Presidency of the Republic.

Without positively saying it, he threw that research and control organization into the arms of the National Security Council. As if it needed more vitamins to gain weight, ther National Security Council, which is so comprehensive in its actions that it meddles in all kinds of affairs and is so secret in its purposes that it operates underground in a basement of the annex building of the Planalto Palace, swallowed the new pill with satisfaction and simplicity.

General Rubens Bayma Denys, chief of the Military Household of the Presidency and secretary general of the National Security Council, has stated that "linking the CNEN to the National Security Council will not change the country's nuclear policy". Although at first, this seems to be a tranquilizing statement, it makes one fear the worst. It so happens that the Brazilian nuclear policy is based on two agreements -- one with the United States, which resulted in a completed power plant that does not work -- Angra I -- and another one with the FRG, which resulted in an incomplete power plant -- Angra II -- barely a skeleton set up on the Rio de Janeiro coast. It will be difficult, however, for the soldiers, who are inclined toward politics, to avoid the temptation to contribute their input to the nuclear problem, which they have been closely following for the past 15 years -- from afar in some cases, and very closely in other cases -- by contributing secret research, possibly for military purposes. Physicist Luiz Pinguelli Rosa, from the Rio de Janeiro Federal University, who is a persistent critic of the Brazilian nuclear dream, says: "CNEN's transfer to military control appears to me to another step in the race to produce a Brazilian atomic bomb."

Rex Nazare Alves, a civilian nuclear expert who heads the CNEN, contributed to the decision to transfer this agency to the National Security Council. Nazare Alves, who has been at the CNEN since the previous government, is an adviser to the National Security Council who coordinates what is known as the "parallel nuclear program," the ongoing program aimed at giving the country its own technology in the atomic field so as not to depend on knowhow from other countries. The CNEN is deeply immersed in this program, as are military laboratory facilites. "It is a program for peaceful purposes," says General Bayma Denys.

It is not difficult to believe in the peaceful purposes of Gen Denys, because research in the nuclear field can more readily lead to the construction of electricity-generating plants than to the manufacture of atomic bombs. Furthermore, any fear in regard to the latter will be premature in a country that has not yet managed to enrich uranium for use in nuclear plants, which do not require technology as sophisticated as that needed to make atomic bombs. However, the militarization of the Brazilian nuclear program could be disastrous -- and the signs can be seen everywhere. A good example dates back 5 years, when the National Security Council sponsored a senseless international maneuver by smuggling uranium out of the country for Iraq.

The problem becomes more sensitive when one examines the areas in which the National Security Council is having a say. It expresses its opinion on the question of agrarian reform, and everyone knows what has happened in this regard. In the area of informatics, it managed to create a mammoth-sized dispute with the United States, the outcome of which is unpredictable. In one of its meetings, the National Security Council went so far as to discuss the signing of "an international agreement to regulate the activities of the world's countries on the moon and other heavenly bodies." Under this broad agenda of the National Security Council, an agency which, like madmen and Indians cannot be held responsible for their actions, the country's nuclear policy has now been placed. This policy used to be entrusted to the CNEN, under the Mines and Energy Ministry.

A look at the central government budget for next year shows that, under the National Security Council account, $1.0 billion cruzados is earmarked for research "in the interest of national security." It is known that the Air Force is conducting work on uranium enrichment at an installation at Sao Jose dos Campos, Sao Paulo State, while the Navy is trying to develop nuclear submarines at the Nuclear and Energy Research Institute, in Sao Paulo. If these submarines travel at the speed at which the Angra 1 plant is going into operation, they will be stranded soon after they are christened with the champagne bottle.

ALFONSIN, SARNEY CANCEL VISIT TO SAO PAULO

PY011829 Madrid EFE In Spanish 1558 GMT 30 Nov 86

[Text] Brasilia, 29 Nov (EFE) -- The magazine ISTO E today revealed that the opposition of Brazilian industrialists to a program for the exchange of products with Argentina has compelled the presidents of the two countries to cancel a visit to Sao Paulo on 11 December.

The magazine states that President Jose Sarney initially announced his decision not to accompany his Argentine counterpart to a meeting organized by the Federation of Sao Paulo Industrialists.

ISTO E noted that this decision prompted Argentine President Raul Alfonsin to cancel his trip to Sao Paulo, where he was supposed to end his official 4-day visit to Brazil.

The Sao Paulo industrialists have voiced their opposition to the terms of an agreement that the two presidents were supposed to sign. The agreement was on the exchange of products, free of taxes, and was supposed to go into effect on 1 January.

Officials of the Argentine and Brazilian Foreign Ministries are now trying to reorganize the program, which has suffered a series of changes, and which might cut Alfonsin's visit short by one day.

So far, Alfonsin is scheduled to arrive in Caraja, Para State, on the afternoon of 8 December. He will be received there by Sarney.

On 9 December the two presisdents will travel to Brasilia where they will sign complementary agreements to the integration protocols signed on 28 July in Buenos Aires.

On the following day, Uruguayan President Julio Maria Sanguinetti will arrive in this capital for a meeting of the three heads of state.

DEL VALLE SAYS RELATIONS WITH U.S. 'DELICATE'

PY030231 Santiago Radio Chilena in Spanish 1600 GMT 2 Dec 86

[By Jose Francisco Contreras from the Diego Portales building]

[Text] Foreign Minister Jaime del Valle has said that Chilean relations with the United States have had ups and downs and that the current period is very delicate. Del Valle made this statement in a speech he delivered in Room 2 of the Diego Portales building during a ceremony marking the 115th anniversary of the Foreign Ministry.

Del Valle, who has been the foreign minster for almost 3 years, reviewed his work during this period. He referred to Chilean relations with Latin American countries, particularly with neighboring countries. Del Valle commented on relations with Argentina, which improved after the Pope's mediation and reached their highest point with the signing of the Peace and Friendship Treaty; with Peru, citing the progress made in implementing the 1929 treaty; and with Bolivia, emphasizing the rapprochement sought in the diplomatic talks being held with La Paz.

Concerning U.S.-Latin American relations, Del Valle said that the United States has violated the nonintervention principle every time it has interfered in the domestic affairs of other nations.

[Begin Del Valle recording] Within the context of our bilateral relations with the United States, which have had their ups and downs, it is evident that we are now experiencing a very delicate period. Anyone studying the history of Latin Axerican-U.S. relations, from the days of independence until now, will notice that they have followed a cyclical process. One will also notice that whenever the United States has decided to interfere in the domestic affairs of countries of the region, exercising its huge power, it has not only violated the sacred principle of noninterventon, but it has also, exceptionally, [words indistinct] mutually beneficial situation. [end recording]

Concerning Chilean relations with Europe, Del Valle said that unfortunately our relations depend on the domestic political situation of the European countries. He pointed out, however, that Chile is more closely tied to Great Britain and France.

Papal Nuncio Msgr Angelo Solano, accredited ambassadors, former foreign ministers, and high-ranking Foreign Ministry officials also attended the ceremony marking the 115th anniversary of the ministry.

ADM MERINO ON CONSTITUTIONAL REFORM, OTHER ISSUES

PY030255 Santiago Radio Chilena in Spanish 2200 GMT 2 Dec 86

[Text] The Government Junta president and Navy commander in chief, Admiral Jose Toribio Merino Castro, has said he favors both free elections and a plebiscite. The Navy commander further said he agrees with the possible modification of many articles of the 1980 Constitution that is now in force.

While he talked about the La Torre, a new Navy ship Adm Merino Castro had the following to say to "Primera Plana":

[Begin recording] [Reporter] as president of the Government Junta and also as Navy commander in chief, what can you tell us about the studies being conducted to modify the Constitution?

[Merino] Nothing. I have nothing to say at this moment. We are talking about the La Torre. This ship will arrive on 20 December from Great Britain. Together with the (?Copland) and the (?Calamo), the La Torre will complete a threesome of equal ships.

[Reporter] But can something be modified?

[Merino] I believe that some things can be modified.

[Reporter] Which, Admiral?

[Merino] I cannot tell you, because there are many things.

[Reporter] What do you prefer, the plebiscite or direct elections?

[Merino] Both of them, the plebiscite and the direct elections. [end recording]

You have heard what he had to say. Many articles of the Constitution might be modified, according to Adm Merino Castro. He was then asked: What do you prefer, the plebiscite or direct elections? His answer was: Both the plebiscite and the direct elections.

Admiral Merino made these comments after a session of the Government Junta during which the post of lawyer prosecutor general was created. This official will participate in cases involving crimes under the antiterrorist law that are heard by the court. The Government Junta thus approved modifications to Law 18,314, which classifies terrorist acts and determines the penalties. The lawyer prosecutor general will fall under the Interior Minister; be appointed by the president; and be charged with requesting that the court execute all the necessary procedures to establish the type of crimes, the culpability of the indicatees, and urging the prompt completion of trials.

This information was provided to the press by Adm Merino Castro:

[Begin recording] [Merino] The nodification of the antiterrorist law was approved and the post of lawyer prosector general, under the jurisdiction of the Interior Ministry, was created. He will charged with centralizing all actions against terrorist indictees in the courts. These questions are now in the hands of the intendants and so the Interior Ministry then does not have all the necessary information as to who is under arrest, who is being prosecuted, etcetera. So this lawyer prosecutor general will centralize all this information in the Interior Ministry.

[Reporter] Will this speed up the trials?

[Merino] Not only that, but it will also serve to prevent the dispersion of cases involving the same individuals in different districts. [end recording]

Adm Merino declined to say anything about the lower court ruling condemning to death three individuals who were found guilty in the killing of Santiago Intendant General Carol Urzua and two of his bodyguards. He only said that if that was the conclusion of the presiding judge, the sentence should be correct.

CPCH, IC, SP WANT DIALOGUE WITH CENTER-RIGHT

PY020152 Santiago Radio Chilena in Spanish 2200 GMT 1 Dec 86

[Text] Chilean Communist Party [CPCh] Secretary General Luis Corvalan, Christian Left [IC] coordinator Luis Maira, and Socialist Party [SP] Secretary General Clodomiro Almeyda have written a joint document that was made available to Radio Chilena. Corvalan, Maira, and Almeyda note that their respective political parties have determined that democracy and peace should be the objective that gathers all the social and political forces of the country. The IC, the SP, which participates in the Popular Democratic Movement, and the CPCh define the essentials of the democracy they are trying to reestablish in Chile in the document.

In this regard, they say that popular sovereignty is the source of the legitimacy of power and that it can originate a political system based only and exclusively on that sovereignty, with the main objective of promoting and developing all aspects of human rights. Almeyda, Maira, and Corvalan point out that on the basis of these ideas, they are willing to talk with an open mind, and they call on the center-right political organizations to initiate a dialogue leading to a democratic agreement. They add that this dialogue should permit the clear establishment of the common basis for governability, as well as the political commitment to give joint impluse to the struggle for democracy, without affecting the autonomy of the parties and the policy of alliances.

Our attitude is flexible, and we condemn terrorism, as we do the violence of which we have been the main victims, both explicitly and tacitly, says the document signed by Luis Maira, coordinator of the Christian Left; Luis Corvalan, secretary general of the Chilean Communist Party; and Clodomiro Almeyda, secretary general of the Socialist Party, which participates in the Popular Democratic Movement.

ARMY IMPLEMENTS COUNTERINSURGENCY OPERATION

PA282344 Bogota Cadena Radial Super in Spanish 1730 GMT 28 Nov 86

[Text] Bogota -- The Army Command is carrying out a counteroffensive which has been coordinated with three Army brigades and Navy Infantry support units to determine the whereabouts of ELN [National Liberation Army] and EPL [Popular Liberation Army] insurgents who have recently been pillaging the following areas: northern Antioquia Department, southern Bolivar Department, and northern El Cesar Department.

The Cartegena and Antonio Narino Battalions of the 2nd Brigade, Girardot and Anzoategui Battalions of the 4th Brigade, and Santander and Garcia Rovira Battlions of the 5th Army Brigade -- headquartered in Bucaramanga -- have been participating in the operations. According to Army Command reports, the first armed clashes occurred in the town of Valencia in Cordoba Department, [name indistinct] in Antioquia Department, and [name indistinct] in Bolivar Department, where the Army is fighting EPL and ELN columns. So far, 20 guerrillas and 4 soldiers have been killed in the bloody clashes.

The Catam Military Base, which is an air command used for tactical support, reported that three units equipped with artillery were deployed to the area where the counterinsurgency actions are taking place.

GUERRILLA GROUP ATTACKS OIL PIPELINE CAMP

PA281606 Madrid EFE in Spanish 0440 GMT 28 Nov 86

[Text] Bogota, 27 Nov (EFE) -- A guerrilla group today dynamited a camp of a company that maintains the country's principal oil pipeline, destroyed machinery, and kidnapped two workers, according to CARACOL Radio network. CARACOL said that at least 200 men from the Army of National Liberation (ELN) attacked the camp of a Colombian company in Norte de Santander Department along the Cano Limon-Covenas oil pipeline.

This attack against the oil installations was at kilometer 168 of the 765-km oil pipeline, at a place known as Quebrada del Oro, San Bernardo de Bata Municipality. CARACOL said that the insurgents destroyed the workers' housing, set fire to a crane and a backhoe, and kidnapped two workers. The kidnapped workers, who were forced to accompany the insurgents to an unknown destination, were identified at Luis Eduardo Villamizar and Raul Jamer.

The ELN has attacked the same oil pipeline more than 20 times this year. The pipeline moves the oil from the country's most productive well to the shipping port. One week ago the ELN carried out the most serious attack ever against the pipeline at a place between Samore and Banadia, Norte de Santander Department, causing thousands of barrels of oil to spill into the Arauca Riber, on the Venezuelan border. This set the authorites of both countries to work to prevent a water-polluted ecological disaster.

RADIO NANDUTI JOURNALIST REPORTED MISSING

PY291939 Paris AFP in Spanish 1727 GMT 28 Nov 86

[Text] Asuncion, 28 Nov (AFP) -- Radio Nanduti spokesmen today told AFP that one of the radio station's most important reporters, Oscar Acosta, has been missing for the last 2 days after having been harassed by the police.

Acosta should have traveled to Caracas today to attend a meeting of members of the Latin American Press Workers Federation (Felatrap), but his trip was suspended owing to his situation, sources of the Paraguayan Journalists Union (SPP) have reported. Journalists of the union believe that Acosta has been harassed by the police because he covered an SPP demonstration supporting Benjamin Livieres, a fellow journalist who is under arrest.

It is also being said in press circles that Acosta conducted a brief investigation into the causes leading to the death of a politician close to the Colorado Party and that the police intend to question him on this subject.

Another Nanduti reporter, Nicolas Arguello, has been sued by Alejandro Caceres Almada, director of the state-owned Radio Nacional, for allegedly slandering and offending him during a meeting of union reporters.

At the meeting to appoint the new board of the progovernment Association of Paraguayan Reporters and Radio Operators (Alortpa) and in the name of the other reporters, Arguello voted against the election of Caceres Almada as the group's honorary president. On that occasion, Arguello said that Caceres is responsible for the daily radio program La Voz del Coloradismo (of the ruling party), which severely attacks the opposition, independent journalists, and the bishops of the Catholic Church.

Incidentally, the Paraguayan Catholic bishops have released a lengthy signed statement rejecting the daily attacks of La Voz del Coloradismo and emphasizing that this program sows offenses, wrath, vindicativness, and hatred among Paraguayans.

POLICE AGAIN DETAIN DOCTORS UNION LEADER

PY022342 Asuncion HOY in Spanish 30 Nov 86 p 6

[Text] Dr Carlos Filizzola, the president of the physicians association of the Hospital de Clinicas, was arrested yesterday near his home by police personnel. The trade union leader was intercepted on the street by the police and remains "detained and incommunicado," his mother has reported.

His trade union companions, attorney Abilio Rolon, and Dr Filizzola's mother went to the police headquarters. The police guard confirmed that Filizzola was detained by "orders from above" and that he is incommunicado. They were told that the car could be retrieved.

A habeas corpus writ will be filed first thing on Monday morning by attorney Pedro Abilio Rolcn to learn the reasons for Filizzola's detention.

Various Hospital de Clinicas trade unions held a special meeting at 1030 and decided on a full stoppage at the Hospital de Clinicas. Only emergency cases will be cared for and the stoppage will last until tomorrow at 1030 when a new meeting will be held.

Reactions [subhead]

Dr Enrique Bellasai, a member of the physicians association, referred to his colleague's arrest, saying: "When there are no reasons for arresting a companion we see in this police action the repression which we are suffering for our struggles to have our claims met. What the police have done is to repress a person (referring to Filizzola) who represents an entire trade union. This is not the way that they will silence us. We will respond to every action employed, such as imprisonment and nightsticks, with true courage and in a peaceful manner for the goals for which we are struggling."

Elsa Mereles, the president of the Association of Nurses and Employees, stated: "Now is the time for all of us to be united and make drastic decisions over this new governmental abuse. My house and Dr Carrillo Iramain's clinic are continuously being raided. I propose and support the idea that the [Hospital de Clinicas] executive board and the [Medical School] dean are asked to go to the police headquarters to learn about the detention of our colleague Filizzola. It is being said that this is the Year of Peace but I am saying that this is the year of injustice and beatings."

Dr Anibal Carrillo Iramain stated: "Our slogan The Struggle Continues is again in effect. All of us thought that tranquillity would prevail through the Christmas and New Year festivities. We thought of resuming the struggle with a renewed spirit next year. We are confronting a new provocation centered on our colleague Carlos Filizzola."

Protest Demonstration

PY022356 Paris AFP in Spanish 2124 GMT 1 Dec 86

[Excerpt] Asuncion, 1 Dec (AFP) -- About 1,000 Paraguayan physicians, nurses, and medical students today chanted anti-governmental slogans against the police demanding that their companion Carlos Filizzola, who was arrested last Saturday, be set free.

The trade union members, who include workers and students, decided to continue for another 48 hours a stoppage started last Saturday. The demonstrators, who have been demanding salary raises for 8 months, today decided not to confront the police which posted themselves in a threatening position in front of the [medicine] faculty's front door and stopped the traffic toward the hospital, which is across the street.

Confronted by the security forces, wielding heavy truncheons, gas masks, and tear gas, the demonstrators sung the national anthem and the youth song "Dear Fatherland, We Are Your Hope," and then chanted antigoverment slogans. The people responsible for the demonstration have not reported any injuries. They denounced, however, the harassment being suffered by union leaders who have not returned to their houses since permanent guards were posted. [passage omitted]

LOW INTEREST RATES MAINTAINED FOR INDUSTRY

PY021951 Lima Television Peruana in Spanish 0110 GMT 2 Dec 86

[Text] Economy and Finance Minister Luis Juan Alva Castro today said that interest rates in the Andean Trapezium [poverty-striken region in Peru] will be kept low. He added that the investment programs will be directed to satisfy the needs of the broad sectors of the country.

[Begin recording] [Alva Castro] We had the courage to introduce an economic policy of low interest rates and put it at the service of the Peruvian people. The cost of money was so high in the past that it was impossible for anyone to invest in productive activities. People became engaged in speculation because it was very difficult to pay 200 or 300 percent annual interest rates and still invest in productive activities. But all that belongs to the past. Everything in Peru today is valued in the national currency, intis. More than 85 percent of the national savings are now in national currency. This is very positive because it allows us to have a stronger financial system with reasonable profits. It permits individuals and companies to charge only the interest rates which the government has established. That is why the government, which has reduced commercial interests rates from 280 to 40 percent, will continue to maintain the policy of promoting agrarian, productive and rural activities through preferential interest rates. I have said that the existing 12 through 0 percent interest rates will be maintained for the Andean Trapezium, the most depressed and forgotten area of the country. They have never received attention from the national government as they do now. They now have the helping hand, the gesture and attitude, of a militant government working at the side of its people.

COURT SENTENCES SHINING PATH MEMBERS TO PRISON

PY272147 Paris AFP in Spanish 1144 GMT 27 Nov 86

[Text] Lima, 27 Nov (AFP) -- Five members of the Shining Path Maoist Group, including leader Laura Zambrano Padilla, alias Comrade Meche, have been sentenced by a Superior Court to sentences of 4 to 10 years imprisonment.

Laura Zambrano has been accused of leading the attack on the Miraflores police station in 1983, when Commander Magno Moreano and one policeman died, and two others were wounded. She is also accused of organizing the people's indoctrination schools which the Shining Path has established in several Lima neighborhoods. The court today sentenced her to 10 years imprisonment.

Two other terrorists, Dalila Lanatta and Josefo Ludena, were sentenced to 5 years in prison. Teresa Lopez and German Vasquez were sentenced to 4 years. They were charged with terrorism, homicide, and assaults on banks and public institutions. The defense attorneys have appealed the sentences, and the Supreme Court will now review them. Comrade Meche has other pending trials involving terrorism.

DEPUTIES APPROVE ELECTORAL REFORM BILL

PA300038 Mexico City UNOMASUNO in Spanish 27 Nov 86 pp 1, 9

[By Mario Alberto Reyes]

[Text] It is up to the federal goverment to organize, execute, and supervise electoral processes. According to law, a tribunal will be formed to discuss and decide electoral matters. The decisions of this tribunal can only be amended by the electoral colleges of each chamber. These colleges' decisions will be final.

The foregoing ideas are inferred from the opinion on the draft to amend Articles 52, 53, 54, 55, 60, and 77 of the Constitution. The draft was read at the Chamber of Deputies' plenum for the first time yesterday. It was signed by the PRI majority, while the parliamentary fractions of the PAN [National Action Party], PRT [Revolutionary Workers Party], PSUM [United Socialist Party of Mexico], and PMT [Mexican Workers Party] refused to sign it. The PDM [Mexican Democratic Party] voted no. PARM [Authentic Party of the Mexican Revolution] and PPS [Popular Socialist Party] agreed with the PRI.

In addition, the Government and Constitutional Affairs Commission, which expressed an opinion on the constitutional amendments draft presented by the executive branch, dismissed the proposals because they added to and amended Articles 41, 52, 53, 54, 56, 57, and 60 of the Constitution, as introduced by the opposition parties.

According to the opinion on the executive branch's proposal, the Chamber of Deputies will be formed by 300 majority deputies and 200 deputies of proportional representation. For the election of the latter, five plurinominal electoral precincts will be created in the country. The respective bylaw will determine the boundaries of each of these precincts. This seeks to raise the number of deputies of proportional representation to 100. In addition, any one party can have only as many as 350 deputies recognized — which represents 70 percent of the chamber's total membership — even if the party in question has received a higher percentage of votes.

Furthermore, if no party receives 51 percent of the votes in the country and if the party with the plurality does not attain half plus one of the chamber members, then the plurality party will add deputies of proportional representation until it attains absolute majority in the legislative body. If this is the case, or if there is a tie in the relative majority, the chamber's absolute majority will be granted to the party which obtained the most votes by relative majority in the legislative elections at a national level.

Similarly, the suggested constitutional reforms would require that the Senate be formed by two members from each state and two from Mexico City and that they be chosen through direct elections. Half the Senate will be changed every 3 years.

Senators "who are elected by the 54th and the 55th legislatures of the Mexican Congress will occupy those offices from 1 September 1988 until 31 October 1994, and those who are elected by the 54th legislature will occupy those positions from 1 September 1988 until 31 October 1991."

Each chamber will assess the election of its members and will clear any doubt concerning the election. The deputy electoral college will join the would-be legislators who obtain a proof of relative majority issued by the federal electoral commission. The deputy electoral college will join both the legislators elected by relative majority, as well as those elected by proportional representation.

The Senate electoral college will meet with the would-be members who obtain the declaration issued by each state's legislature and by the permanent commission of the Congress in the case of Mexico City, and with the legislators of the previous legislative body who are still in office.

SEPULVEDA SCORES MISINFORMATION CAMPAIGN

FL251814 Mexico City NOTIMEX in Spanish 0323 GMT 25 Nov 86

[Text] Mexico City, 24 Nov (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda Amor said today that the Mexican government condemns and repudiates the well-orchestrated campaign of systematic and fierce slander and defamation against our country; it is very concerned about these attacks on respectable institutions of the Mexican state. Speaking to the Senate, Sepulveda said that this slander and defamation is not circumstantial but, on the contrary, is part of a systematic and fierce anti-Mexican campaign.

Responding to Socorro Diaz Palacios, senator for Colima, during the question and answer session following his address, Sepulveda said there is also concern that this defamatory campaign is designed to magnify and distort the nature of the problems affecting the country.

I want to make it a matter of record that the foreign secretary and the Mexican Government emphatically condemn and repudiate this anti-Mexican campaign, Sepulveda declared. He said that in addition, attempts are being made to distort the legitimate progress achieved by the government in order to discredit Mexico's political values, which are still very much alive.

You cannot ignore the fact that this kind of campaign could be part of a misinformation process utilized as a political tool, he added. A campaign such as this has negative effects on the prestige, good name, credibility, and respectability of the government and the people, he said. We deplore the systematic way that this distortion of national reality has taken place in the past years, but we believe that Mexican institutions are strong enough to ensure that this misinformation will not hurt or diminish the country's capacity to respond to the great challenges it faces, he declared.

He expressed confidence that institutions will be able to resist these attacks from abroad, and that they will firmly oppose all attempts to derail the country's progress.

Sepulveda maintained that a response to these attacks from abroad requires the proper use of all resources available to both the government and society. He emphasized that it is up to the Mexican state to safeguard the fundamental interests of the nation. It is up to us to coordinate this huge effort, he added.

He explained that Mexican embassies are able to convey a true picture of what is happening in the country, but that information is carried by many other means and they are not always the proper channels to counteract campaigns of this nature.

He cited the responsibility of the Mexican news media to give a true picture of the nation's reality and noted the need to exert bigger efforts to make institutions better, to counter criticism that may be justified in some cases but unfair in others. He gave as an example a series of articles in an American newspaper distorting the facts about Mexico in offensive terms.

He emphasized that all of Mexico's public and private institutions must join forces because the effort made so far has not brought results, though the federal executive is engaged in a coordinated, thorough, and earnest endeavour, because we believe that everything involving an understanding of Mexican cultural values in the United States is important.

We believe that this is a long-term effort and some patience is necessary before results come about; however, we feel that at the political level it is fundamental to have more contact between the Mexican and U.S. Congresses, he stated.

Sepulveda then noted that in a large number of cases inaccurate information is circulated in the U.S. Congress in an arbitrary and capricious manner, which hurts Mexico because it lacks legitimacy. It is imperative to step up the circulation of positive, sensible, and judicious information about Mexico.

Lastly, he said that with a greater effort from the Mexican Congress, there will emerge a greater understanding of what Mexico really is. Mexican trade unions could also help the state in divulging the facts about Mexico worldwide.

BRIEFS

DRUGS DESTROYED -- Alfonso Mancera Segura, the commander of the 11th Military Zone in Zacatecas, has reported that in the last 6 days of the "Cruz Grande" operation over 290,000 marijuana and poppy plants were destroyed. Meanwhile, in the 35th Military Zone in Chilpancingo, 171 kg of poppies, 313 grams of poppy seeds and 25 packets of marijuana, valued at 13 million pesos on the black market, were burned. Robert Haeni Rangel, the general and commander of that zone reported. [summary] [Mexico City EXCELSIOR in Spanish 26 Nov 86 p 1,2 PA]

EL SALVADOR

ACEVEDO CALLS DUARTE UN TRIP 'SUCCESSFUL'

PA020434 Panama City ACAN in Spanish 2200 GMT 1 Dec 86

[By Ricardo Chacon]

[Text] San Salvador, 1 Dec (ACAN-EFE) -- Salvadoran Foreign Minister Ricardo Acevedo Peralta today described President Jose Napoleon Duarte's trip to the UN last week as "successful." President Duarte went to the UN in search of help for the victims of the earthquake that rocked the country on 10 October.

Ricardo Acevedo Peralta said that during his trip to New York the Salvadoran president achieved two important things: "receptiveness and prompt aid to rebuild the capital city, and a favorable resolution on respect for human rights in the country." Two months after the earthquake, Duarte's government has begun an international offensive to collect approximately $1.5 billion to rebuild the Salvadoran capital city, which was partially destroyed by the earthquake.

Last week President Duarte headed a delegation to the UN to explain the government's reconstruction plans for San Salvador and to request the necessary international economic aid. During today's news conference Acevedo Peralta said that President Duarte's efforts were "totally successful," especially because prompt aid was received from countries like Sweden, Finland, and Germany. These countries made immediate donations of $1 million each. Acevcedo Peralta added that 18 other countries have offered economic aid. However, the foreign minister said that the amount of aid the country will receive cannot be estimated because to date, only preliminary plans and commitments have been made.

Acevedo said the resolution on human rights, approved by consensus at the UN on Friday following Duarte's speech, "has been the most favorable resolution this country has received in the past 6 years." The minister said that the resolution is favorable for the country because it eliminates the belligerency of the FMLN-FDR [as received] and recognizes the progress made by Duarte's government in the field of human rights." [quotation marks as received]

Acevedo Peralta said that "the resolution recognizes the favorable report presented by UN Rapporteur Pastor Ridruejo instead of the less favorable resolution presented by Mexico, Peru, Sweden, and Algeria."

"Also," Acevedo Peralta added, "the resolution does not state, like the previous one did, that the rapporteur must remain at the United Nations as long as the conflict lasts. This gives us the chance to request an amendment or elimination of the mandate in Geneva in February."

"However, we would never have accepted Mexico's proposal. This proposal received a heated response because it did not recognize any progress in the matter of human rights," Acevedo Peralta said.

The resolution, approved after it received 98 votes in favor, none against, and 37 abstentions, expresses "concern" because serious human rights violations in this country continue. Among other things, the document states that "the humanitarian rules of war are not being respected," and asks the government "and the opposition forces" to adopt measures to "strictly" abide by the 1949 Geneva Convention.

The UN resolution "regrets the fact that the dialogue between the authorities and the opposition forces continues to be interrupted and recommends the prompt renewal of the dialogue to achieve a political, overall, and negotiated solution to the conflict.:

Asks for Withdrawal of Lawsuit

PA020427 Panama City ACAN in Spanish 0211 GMT 2 Dec 86

[Excerpt] San Salvador, 1 Dec (ACAN-EFE) -- The Salvadoran Government expects international organizations to convince Nicaragua to back off from its demands made before The Hague Court against Honduras and Costa Rica, it was reported today.

Salvadoran Foreign Minister Ricardo Acevedo Peralta suggested today at a news conference that the Contadora Group (Mexico, Colombia, Venezuela, and Panama) and the Support Group (Argentina, Brazil, Peru, and Uruguay) mediate to make Nicaragua withdraw its charges. He also asked the United Nations and the OAS to use their good offices with the Sandinist regime to make a resumption of regional negotiations possible.

The foreign minister was expressing his government's position on a regional peace proposal made public this weekend by Contadora and its Support Group as well as the United Nations and the OAS.

Nevertheless, the foreign minister said the charges filed by Nicaragua against Honduras and Costa Rica "continue to make it impossible to resume the area dialogue." He added that it is necessary to remove the obstacles to clear the way for dialogue, which can be helped by Contadora, the OAS, and the United Nations to convince Nicaragua to withdraw its charges. If Nicargua should ever file charges against El Salvador at The Hague, "we will be prepared to respond because they (the Sandinists) are the aggressors in the area." [passage omitted]

CHURCH TO NEGOTIATE RELEASE OF GUERRILLAS

PA301923 Paris AFP in Spanish 1729 GMT 30 Nov 86

[Text] San Salvador, 30 Nov (AFP) -- San Salvador Auxiliary Bishop Gregorio Rosa said today that the church is "disheartened" by the increase of violence in recent days, and he disclosed that the church will not negotiate a Christmas truce between the government and the guerrillas. Msgr Rosa said the previous requests for a halt to the hostilities "have left such a bad memory that for the time being we do not plan to serve as mediators or guarantors of a truce that is difficult to control and to know who has broken it first."

After the mass at the metropolitan cathedral, the prelate announced that the church will cooperate in the possible departure from the country of 11 disabled guerrilla fighters who were given their release papers 8 days ago but who are still at Mariona Prison because of fear for their security. Msgr Rosa explained that some of these individuals had expressed their desire to stay in the country along with their relatives and that others wanted to travel abroad, but "now the situation is confusing because we have been told that they all want to travel abroad."

A communique on the political prisoners being held at Mariona stated that there are 26 disabled political prisoners who were captured while they were being transferred by the International Red Cross Committee to hospital centers or were already receiving medical attention in hospitals.

The disabled prisoners whose release has already been granted are requesting the church to negotiate their departure from the country, the diplomatic corps to intercede so some government will accept their entrance, and the International Red Cross Committee to guarantee their security in the transfer from the prison to the place from which they will travel abroad.

ARCHBISHOP REJECTS DOCUMENT CRITICIZING DUARTE

PA020020 Hamburg DPA in Spanish 2209 GMT 1 Dec 86

[Text] San Salvador, 1 Dec (DPA) -- San Salvador Archbishop Msgr Arturo Rivera y Damas has rejected a document presented by the church base communities in which they question the Jose Napoleon Duarte regime's attitude because it asks the guerrillas to lay down their weapons but does nothing "to resolve the conflict." This was learned today after Sunday's meeting between Msgr Rivera y Damas and 200 delegates of these church communities. Msgr Rivera y Damas described the position of the communities as "unilateral."

The archbishop further described this position as the pressure of a people's church because, among other things, the document states that "the situation of sin in El Salvador (which in our case is specified in the capitalist system) has led the country to a deep crisis; the laws are only enforced on the poor; there is hunger and misery; and, above all, there is no land and the wealth produced is not distributed properly."

The document also accuses the United States of deepening the war and that with its economic aid it manages to manipulate the country. The document adds that if the war involved only the Salvadoran people, it would have already ended. The church communities also protested because the "packaged swindle," the taxes, and the increase in prices only serve to take money from the people and finance the war.

The document presented to the archbishop by the church base communities representing the whole archdiocese also criticizes the Army's counterinsurgency plan called "united to rebuild." According to the communities, this plan is only aimed at confronting brother with brother among the peasant sector, offering some of them "a little aid" but without explaining that "after this little aid comes the bombings."

Regarding the 10 October earthquake, the communities have criticized the fact that the aid sent to the country has not reached the people that need it most, and added that those donations are being used by the Army.

San Salvador, the least affected by the war, suffered the effects of the earthquake. However, the most damage was suffered by the poor, and the corrupt have used the confusion that developed after the earthquake to speculate with basic products, the church communities stated. Meanwhile, the archbishop has rejected their position and has asked them to reconsider their views.

FMLN SUBMITS NEW PROPOSAL ON FREEING AVALOS

PA021916 Hamburg DPA in Spanish 1535 GMT 2 Dec 86

[Text] San Salvador, 2 Dec (DPA) -- The church and the relatives of Colonel Omar Napoleon Avalos expect him to be freed before Christmas. He has been in the hands of the guerrillas since October 1985.

Avalos was director general of civil aeronautics when he was kidnapped from his farm, which is approximately 38 km from the capital, on 26 October. The news of the kidnapping was received by President Jose Napoleon Duarte at the presidential palace while he was thanking the press for its efforts during the kidnapping of his daughter, Ines Guadalupe.

The FMLN sent to the Presidency and military command today a firm proposal for freeing Avalos. However, the Army has remained silent on the proposal. There is little optimism in certain Army sectors because, sector chiefs "feel that the proposal is tough and could therefore receive a negative reply."

The church has not wanted to reveal anything inasmuch as confidentiality was one of the preconditions, and if the FMLN or the Armed Forces have not said anything, the church is certainly not in a position to do so.

According to the most recent proposals known, the FMLN asked for the freeing of 46 political criminals; however, the Army says that only about 22 are eligible as these are the ones the law would allow to go free without state intervention. Col Avalos has more than once called for the military to become concerned with his case, but his pleas have gone unanswered.

Today, Bishop Gregorio Rosa Chavez, auxiliary to Bishop Arturo Rivera y Damas, said that a Red Cross delegate together with Msgr Rivera y Damas had the opportunity to meet with Avalos.

REY PRENDES BRANDS UNTS CONFERENCE 'FAILURE'

PA262158 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 26 Nov 86

[Text] Julio Adolfo Rey Prendes, culture and communications minister, has said the march of the UNTS [National Union of Salvadoran Workers] and the conference for peace that was held in the Central American University were a failure especially if one bears in mind the withdrawal of unions such as the [acronym indistinct], the Agemha [General Association of Finance Ministry Employees], and the UPD [Democratic Popular Unity]. Rey Prendes said this is why a group of North Americans came to the country to cooperate with the FMLN-FDR [words indistinct] the civilian victims of the war at a time when the people are thinking above all about how to obtain aid for the earthquake victims and for the thousands of displaced people in the country. The Salvadoran people are not thinking about groups of North Americans who come to spread propaganda for the terrorists and the War, Rey Prendes added.

He said the conference organized by the UNTS was held with the cooperation of North Americans who belong to the [acronym indistinct] which is a committee organized in the United States in solidarity with the FMLN-FDR terrorists. He added that this organization works in favor of the FMLN as the UNTS bulletins state. I do not know if these people who came from the United States are individuals involved in leftist movements or if they were deceived and brought here, Rey Prendes said, adding: I say the latter because a number of requirements were established for making the trip to El Salvador.

GUATEMALA

CEREZO, CARPIO NICOLLE SUPPORT AREA PARLIAMENT

PA021503 Panama City ACAN in Spanish 1857 GMT 1 Dec 86

[Text] Guatemala City, 1 Dec (ACAN-EFE) -- The worsening of the Central American crisis and the lack of dialogue between the area governments have prevented the Central American parliament from being created, Guatemala's Vice President Robert Carpio Nicolle said today. Nevertheless, Carpio Nicolle, who has promoted the regional forum, said the idea "has not failed."

President Vinicio Cerezo proposed the formation of a Central American parliament as a political forum to discuss and to solve the problems of regional countries. The project was approved by area heads of state during the presidential "summit" meeting held in Esquipulas on 24 and 25 May 1986.

Carpio Nicolle said the deadline for the formation of the Central American parliament has not expired, noting that the idea "has the support of the international community." The commission appointed to draft the regulations has fulfilled its mission, "however, these regulations must still be discussed so they can be approved by the Central American governments' representatives," Carpio Nicolle added.

"When the regulations are approved, they will be reviewed and signed by the presidents of the area countries," he said.

Among the obstacles to create the parliament, Vice President Carpio Nicolle mentioned Nicaragua's lawsuit against Honduras and Costa Rica in the International Court of Justice. In July, Nicaragua brought suits against its neighbors for their alleged "complicity" with U.S. support for the "contras." Costa Rica and Honduras have stated they will not attend any Contadora Group meeting so long as Managua does not withdraw its lawsuits. The Guatemalan vice president said that dialogue in Central America "is at a standstill, but there are talks being held to reinitiate it."

President Cerezo told ACAN-EFE in the halls of the Government Palace today that since the working meeting of the vice presidents in July, "there have been no further meetings to discuss the formation of the parliament."

A document was signed on that occasion stating the willingness to organize a multinational technical commission, and there is still time for the governments of the region to comment on Guatemala's proposal, Cerezo said.

The commission, made up of the vice presidents, foreign ministers, and three delegates from each country, must submit the bylaws, which will be signed by the presidents in December.

CONGRESS, MILITARY LEADERS ASSESS 'NEUTRALITY'

PA021830 Panama City ACAN in Spanish 0225 GMT 2 Dec 86

[Text] Guatemala City, 1 Dec (ACAN-EFE) -- Top military leaders and members of the Legislative Congress' directorate held a 3-hour secret meeting this afternoon to analyze the Army's position regarding Guatemala's "active neutrality" policy.

General Jaime Hernandez Mendez, defense minister; General Hector Gramajo, chief of the Army General Staff; and Captain Juan Fernando Cifuentes, Army spokesman, appeared before the Congress.

The meeting, which began at 1600 local time and ended at 1900, was held behind closed doors. Members of the press were not allowed to enter the room where the deputies were gathered. Upon leaving the legislative building, Gen Hernandez Mendez said that "the two sides are congratulating each other because some differences were resolved."

"The active neutrality position regarding the Central American conflict is part of the government's foreign policy and within its jurisdiction; thus, it does not pertain to the Army," he said.

Last week, Cifuentes had said "the active neutrality position could change in keeping with the circumstances." This statement has brought about the deputies' decision to summon the top military leaders to the legislative chamber.

Christian Democrat Alfonso Cabera, Congress president, said "the meeting was held behind closed doors because certain issues discussed deal with state security and cannot be disclosed." Hernandez Mendez, who refused to delve into the struggle brought about by his spokesmana's statement, said "there is a need to reactivate the Central American Defense Council [CONDECA]; "there will therefore be a meeting in Guatemala in late January." [quotation marks as received]

The Guatemalan defense minister said: "The top military leaders of Central American countries, including Panama and Nicaragua, have been invited to participate in determining the fate of this military organization and in deciding what country will be given the presidency."

Revolutionary Party (PR) Deputy Victor Hugo Godoy said that "we are interested in bringing peace to the region and that is why we invited the military leaders to discuss their position on the active neutrality policy." The PR legislator pointed out that "this is a democratic exercise involving a frank dialogue to bring politicians closer to the armed institution."

Meanwhile, Gabriel Ciron Ortiz, secretary general of the National Unity Front (FUN) and the only one who has commented about the differing criteria between the government and the Army, voiced his oppositon to "active neutrality."

"It is nothing more than a masquerade to avoid pleasing or displeasing anyone, but in reality, we are displeasing everyone," the moderate rightwing political leader added.

GOVERNMENT TO RECEIVE FRG COMMUNICATIONS GEAR

PA290400 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 29 Nov 86

[Text] Acting Government Minister Benjamin Rivas Barato said today that in early December Guatemala will receive a donation of radio patrol and radio communications equipment from the FRG. The equipment, valued at $5 million, was shipped in mid-November and will be received by the Guatemalan Government on 7 December, the official said.

The Government Ministry report on the new equipment being sent for the National Police states that the shipment includes 54 radio patrol cars, 5 buses, and 60 motorcycles. Also included are a considerable number of radio transmitter batteries for mobile and stationary use. The Government Ministry did not give details on the arms the National Police will acquire in accordance with the recently announced government agreement whereby the purchase of metal equipment [equipo de metal] is approved for the police security services.

NEW REBEL BULLETIN FOCUSES ON URNG RELATIONS

PA301653 Mexico City EL DIA in Spanish 28 Nov 86 p 12

[Excerpt] Guatemala City, 27 Nov -- CERIGUA/ENFOPRENSA -- [Passage omitted] As long as a real democratization process is not begun in Guatemala, the insurgents will not lay down their weapons, the URNG reiterated in the first issue of its international bulletin, which was released here today.

The URNG begins its monthly publication with an extensive analysis of Guatemala's internal situation. According to the URNG, the bulletin "constitutes progress in the unity process," and demonstrates the development achieved since the organization's establishment in 1982.

The most important insurgent organization states that the circulation of a publication of unity is the result of "the increased agreement of views in the political, military, and diplomatic analyses (by the member organizations of the URNG)." It also states that levels of political identification and ideological rapprochement have been achieved among them.

The bulletin also refers to the dialogue proposal made to President Vinicio Cerezo on 25 October in response to the president's statements during his European tour. It noted that "at this time, the URNG has taken the initiative in the search for peace and a political solution of the internal conflict of Guatemala."

The publication also presents a summary of the political proposals made by the URNG throughout this year, and it indicates that these were made within a framework of "flexibility and firmness." It states that the URNG will not hinder any democratization effort but that it will maintain its position of struggle until the minimum conditions for such an objective are created. [passage omitted]

HONDURAS

AZCONA ARMY LEADERS HOLD 'SECRET MEETING'

PA021835 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 2 Dec 86

[Text] Armed Forces Commander General Humberto Regalado Hernandez and President Azcona held a secret meeting yesterday. They might have analyzed the implication of ranking officers in weapons sales from Israel to the Nicaraguan contras. Army G-2 Commander Colonel Wilfredo Sanchez and Foreign Minister Carlos Lopez Contreras also participated in the urgent meeting convoked by President Azcona.

Although there is no official information regarding what was discussed at the meeting, Radio America learned that the possibility of appointing a high level investigating commission to clarify the participation of Honduran military officials in the delivery of weapons to anti-Sandinist rebels was considered.

This subject is top news today. THE MIAMI HERALD reported yesterday that official documents show that part of the profit from the U.S. weapons sales was delivered to the Nicaraguan contras. It was also reported that Israel delivered weapons to the contras directly through the Honduran Army.

These implications are possibly being analyzed at meetings between the president of the Republic and the Armed Forces commander. David Romero has a report on this.

[Begin recording] The possible participation of ranking Honduran officers in the sale of weapons to the Nicaraguan contras was reportedly discussed yesterday at the Government House. President Jose Azcona Hoyo urgently summoned Armed Forces Commander Gen Humberto Regalado Hernandez, Military Intelligence Commander Col Wilfredo Sanchez, and foreign Minister Carlos Lopez Contreras to a meeting. The meeting began at approximately 1000, and was held amid strict security measures. It ended 1 and 1/2 hours later. The meeting was called following reports from the United States implicating ranking Honduran officers in the illegal sale of weapons to the Nicaraguan Democratic Forces' [FDN] and anti-Sandinist groups.

Although the Press Secretariat of the Presidency did not issue a bulletin on the subjects discussed, Radio America consulted a presidential source, who said the meeting was held to analyze the latest lie originating in the United States, which is aimed at implicating our Armed Forces.

The Army's G-2 commander's presence at the meeting was considered strange by media representatives. It is well known that Col Wilfredo Sanchez is also the liaison between the Nicaraguan contras and the Armed Forces Joint Chiefs of Staff.

President Azcona recently denied any repercussions against Honduras due to the current White House scandal. However, THE MIAMI HERALD, a U.S. daily with a large circulation, reported yesterday that Honduran officers, and specifically Colonel Julio Perez, were in charge of the Logistics in our country's delivery of weapons -- seized during the Lebanese war -- and sent by Israel to the anti-Sandinist rebels.

According to our sources, Azcona and the other participants analyzed the idea of creating an investigating commission to clarify U.S. reports that implicate Honduran officers.

Reportedly the Armed Forces High Command or the Government House, through its Public Relaticns Office, will issue an official bulletin that will clarify the matters discussed during yesterday's meeting. None of the meeting's participants made statements to the media after the meeting ended; the senior officials hurriedly left the Presidential House through the back door to avoid meeting the press. [end recording]

GOVERNMENT EXPRESSES 'CONCERN' OVER EPS MOVEMENT

PA022350 Panama City ACAN in Spanish 2314 GMT 2 Dec 86

[Excerpt] Tegucigalpa, 2 Dec (ACAN-EFE) -- The Honduran Government today expressed concern over the mobilization of Nicaraguan troops to the border area. The president discussed his concern with Foreign Minister Carlos Lopez Contreras, the Armed Forces High Command, and U.S. Ambassador Everett Briggs at an emergency meeting at the presidential palace.

The foreign minister said Honduras can resort to security agreements with the United States to guarantee its defense but would only do so "if it were necessary," he added.

Lopez Contreras told the press "the Honduran Government is concerned over the gathering of Nicaraugan troops on the other side of the border in the El Paraiso sector," in the eastern region. The diplomat said regional security matters were discussed at the meeting, "and of course the existing agreements between Honduras and the United States."

"It is evident" -- he added -- "that greater social dangers have emerged within the Central American region and the gathering of Nicaraguan troops in the El Paraiso sector has been detected. This places great pressure on the Honduran Government."

Carlos Lopez Contreras said the eastern El Paraiso sector on the border with Nicaragua has not been declared in a state of emergency but that Honduras is prepared for any type of defense action.

The Nicaraguan troops occasionally enter Honduran territory in pursuit of the counterrevolutionaries who are struggling to topple the Managua regime. "There are incursions into Honduran territory, and this is exactly what the Honduran Armed Forces want to be able to prevent," the foreign minister said.

He explained that the presence of U.S. troops is a form of U.S. cooperation and that the security cooperation agreements function at Honduras' request, not automatically. "In other words, it is not enough for an emergency to take place in Central America or Honduras for the U.S. Army to intervene in the country's [Honduras'] favor; this aid would only come in response to a request from the Honduran state."

The foreign minister stressed that Honduras has a very small Army and therefore has to seek alternatives that do not entail the excessive growth of its Armed Forces. [passage omitted]

GOVERNMENT MAY SUSPEND TRADE WITH COSTA RICA

PA022217 Tegucigalpa Television Hondurena in Spanish 0100 GMT 2 Dec 86

[Reporty by Mario Cales]

[Text] An official of the Economy and Commerce Ministry told "This Very Day" newscast that we are still waiting for Costa Rica to reconsider. [sentence as heard] The Honduran Government will suspend trade relations with Costa Rica if that country does not allow more Honduran products in that market. The Honduran economy and commerce minister will travel to San Jose the day after tomorrow to learn Costa Rica's reply.

[Begin unidentified speaker recording] The Salvadoran [word indistinct] the possibility of improving trade relations. We are going on a mission next week to El Salvador to try to increase that commerce. Regarding Costa Rica, I can tell you that [we] are going to di[scuss] expanding the market for our products since our products are being restricted. This is not fair because Honduras urgently needs to sell its products to Costa Rica.

Therefore, we have asked Costa Rica to allow several products into their market. Otherwise, we would have no alternative but to suspend trade with Costa Rica. [end recording]

Apparently, the flow of trucks along the country's highways will be suspended because the trucks carry products destined for other countries but leave them in Honduras' domestic market without paying the appropriate taxes. It was reported that this system of contraband particularly involves trucks from Panama.

GUATEMALA DISAPPROVES OF REGALADO'S APPOINTMENT

PA031900 Panama City ACAN in Spanish 1521 GMT 2 Dec 86

[Text] Tegucigalpa, 2 Dec (ACAN-EFE) -- The Honduran Foreign Ministry reported that the Guatemalan Government has rejected the appointment of Colonel Rigoberto Regalado [illegible] as Honduran ambassador to that country. Regalado Lara is currently serving as [illegible] attache in Guatemala, and according to the Honduran Foreign Ministry, "he will remain in that position."

[illegible]ne Lefevre, the current Honduran ambassador to Guatemala, will soon leave that [illegible]. That is why the government chose Regalado Lara, who is already a member of the diplomatic mission in that country.

[illegible]ado Lara, [illegible] is a brother of Honduran [illegible]es Chief General Humberto [illegible] has served as a commander of artillery and airborne infantry [illegible]

[illegible]

NICARAGUA

HONDURANS JOIN U.S. TROOPS IN BORDER MANEUVERS

PA022258 Managua BARRICADA in Spanish 2 Dec 86 p 5

[Text] Tegucigalpa -- It was learned here yesterday that a battery of the 2d Battalion of the 116th Florida National Guard Artillery Brigade, carrying their own 105-mm weapons, has been deployed to an area near the Nicaraguan border where they will hold "joint exercises" with the Honduran Army. The U.S. troops are accompanied by troops of the Honduran 3d Artillery Battalion stationed in Las Mesas, only 50 km from the road to Danli. On Sunday, a 25-vehicle military convoy crossed Danli. The convoy was apparently transporting camouflaged military equipment. The U.S. caravan was accompanied by two U.S. Air Force CH-47 helicopters. The helicopters carried heavy equipment in huge nets.

Yesterday, the local media broadcast statements made by border area residents who are scared of a direct attack against Nicaragua. Yesterday at noon, the Honduran Army said that "it was unaware" of any troop movement and did not mention a military maneuver.

The U.S. Embassy gave the first report of this, creating some concern among the reporters who were told that the "joint exercises would continue through 13 December."

It was learned that the U.S. artillery battery headed for Ojo de Aqua, El Paraiso Department, where the 6th Infantry Battalion is stationed. The U.S. troops will use their own 105-mm cannons, and during their stay in Honduras they will be under the orders of the so-called "Bravo" Task Force stationed in central Honduras.

Even though the exact site of the maneuvers was not disclosed, it is known that they will be held in central Honduras, near the Nicaraguan border.

HUMBERTO ORTEGA NOTES INCREASED CONTRA ACTIONS

PA291505 Managua BARRICADA in Spanish 28 Nov 86 p 5

[Excerpts] The preparations and movements that the Somozist mercenaries are making along the Costa Rican border have been increased to produce confrontations with the Nicaraguan Army. This statement has been made by Army General Humberto Ortega Saavedra.

General Ortega said he is concerned over the fact that the White House's most reactionary sectors are interested in these provocations. He said these sectors are making the current tension in Central America grave, and Reagan's adventuresome activities aimed at invading Nicaragua could become more acute in the next few days.

The defense minister characerized the current situation in the area as "tense and grave." He said he hopes the Central American armies will not join the U.S. Government in its desire to reactivate the so-called Central American Defense Council (Condeca). [passage omitted]

Humberto Ortega said that since October, there have been clashes in the country's south central region, with positive results for the government forces, especially in the past 10 days, when there has been continuous fighting.

Gen Ortega, who is a member of the FSLN National Directorate, said the Nicaraguan people are firm in their resolve, which means the revolution is advancing and is not being suffocated, despite the threats from President Reagan.

Regarding the outlook for a compromise with the U.S. Government, Commander of the Revolution Humberto Ortega said that as long as Reagan refuses to talk with the Nicaraguan Government, the people will continue preparing to defend the country's sovereignty. [passage omitted]

OBANDO BACKS PRISONER SWAP, PARDON FOR JASENFUS

PA270506 San Salvador Canal Doce Television in Spanish 1900 GMT 26 Nov 86

[Interview with Nicaraguan Cardinal Msgr Miguel Obando y Bravo by Marco Antonio Guevara in Managua; no date given -- recorded]

[Text] [Guevara] On the matter of talks between the Nicaraguan church and the Sandinist government, Cardinal Obando y Bravo said the government has made a proposal for an overall plan. However, details of the plan were not known. The two sides have appointed commissions which are studying the possibilities of an understanding.

[Begin recording] [Obando y Bravo] The government has talked to us about an overall plan to seek a modus vivendi or modus operandi. However, at this point the plan has not been fully fleshed out. I feel that the commissions will meet in early December. We hope that during this meeting we would know what the overall plan will consist of.

[Guevara] So far, the church has not hinted or proposed ways to ease tensions.

[Obando y Bravo] The church has insisted on the need to allow the return of Msgr Pablo Antonio Vega, Juigalpa Bishop, and Msgr Bismarck Carballo, episcopal vicar of this curia and director of Radio Catolica. The church has also insisted on the need to reopen Radio Catolica. However, the government has told us that these problems in particular cannot be resolved without an overall plan.

[Guevara] Within the framework of the Eucharistic Congress, did the government make any offer to assist in holding it. Is it true that the church rejected such assistance so as to avoid manipulations?

[Obando y Bravo] The government gave facilities to the visitors. It gave them protocol courtesies. It did not ban their entry into the country . There was, however, one regrettable case involving Father Juan Sifel. He is the director of (Alvenia). Apparently, he was mistaken for someone and not allowed to enter the country from El Salvador. I believe he is currently in Guatemala. However, the other visitors were welcomed with great courtesy.

The government offered to house these guests. We graciously declined the offer because we had everything ready through the Christians and the organizations working on the preparations of the Congress.

[Guevara] Your Eminence, is it true that you asked that U.S. citizen Hasenfus be pardoned?

[Obando y Bravo] I know the law is the law, and that it is hard. However, as a pastor I would like him to receive a pardon or an amnesty. At this moment, I do not know which would be the most appropriate word. This would serve to bring peace and tranquillity to his family and to Mr Hasenfus himself. I would also want a humanization of the war which is making us suffer, or that there could be an exchange of the prisoners held by the contras and the Sandinist government. This exchange would help the prisoners and would bring peace and consolidation to the families of the two parties. [end recording]

[Guevara] Cardinal Obando y Bravo feels that the exchange of Sandinist and contra prisoners and a pardon, or amnesty for U.S. citizen Hasenfus is a humanitarian matter and that the church will be willing to cooperate.

HUMBERTO ORTEGA SPEAKS AT CUBAN PCC CONGRESS

PA011951 Managua Domestic Service in Spanish 1800 GMT 1 Dec 86

[Text] Havana -- Army General Humberto Ortega, Nicaraguan defense minister, participated today as a guest in the deferred session of the Third Congress of the Communist Party of Cuba, PCC. In presenting Ortega, General of the Army Raul Castro, second secretary of the PCC, asked him to speak to the congress on the current Nicaraguan situation. Osvaldo Lacayo, second chief of the EPS high command [title as heard], is also attending today's session.

USSR HIGHER EDUCATION DEPUTY MINISTER ARRIVES

PA281915 Managua BARRICADA in Spanish 25 Nov 86 p 2

[Names and titles as published]

[Text] Artur Nikolayevich Belov, deputy minister of the USSR Ministry of Higher and Secondary Specialized Education, arrived in our country yesterday on occasion of the seventh anniversary of Nicaragua-USSR cooperation in the field of higher education.

Hence, the National Council of Higher Education (CNES), in coordination with the Soviet higher education team, which is accredited here, will carry out "methodological scientific meetings" next Friday at Ruben Dario University.

There will be various lectures on the four areas taught by Soviet professors -- philosophy, economics, sociology, and politics -- as well as on basic and specialized courses, and the methodology and experience obtained from teaching the Russian language in Nicaragua.

The meeting will end with an intensive evaluation and analysis of the main aspects of Soviet cooperation and proposals on that cooperation next Saturday at the CNES.

Maria Elena Lopez, of the CNES Press and Information Office, reported that the USSR deputy minister is accompanied by Vladimir Larisa Miknaylovna, deputy chief of the Directorate of Post-Graduate and Trainee Students [Direccion de Estudiantes Post-graduados y Practicantes]; and Vladimir Ivanovich Kucherenko, organization chief of the Methodology Department of the USSR Ministry of Higher and Secondary Specialized Education 's Foreign Relations Directorate.

MINISTERS SIGN COOPERATION AGREEMENT WITH PERU

PA300237 Managua Domestic Service in Spanish 1800 GMT 29 Nov 86

[Text] Peru will grant technical assistance to Nicaragua in the areas of mining geology and metallurgy according to an agreement signed in Lima by the ministers in charge of these activities in the two countries.

The agreement provides for a Peruvian technical mission to travel shortly to Nicaragua for counseling and identification of mining investment projects as well as the development of feasibility studies on technical, economic, and marketing matters, among others.

The agreement was signed by Ramiro Bermudez, minister-director of Inmineh [Nicaraguan Institute of Mines and Hydrocarbons] and Wilfredo Huayta, Peruvian energy and mines minister. The two officials stressed that the agreement strengthens friendship between the two countries.

ORTEGA GREETS BOUTERSE ON INDEPENDENCE DAY

PA262308 Managua Domestic Service in Spanish 1200 GMT 26 Nov 86

[Text] On the occasion of the 11th anniversary of the independence of the Republic of Suriname, I hereby wish to express on behalf of the FSLN National Directorate, people and Government of Nicaragua, and on my own behalf, our sincere congratulations to the dear Surinamese people; reads part of the message sent yesterday by President Daniel Ortega Saavedra to Companero Desire Bouterse, chief of the Surinamese revolution.

Sandino's people take this opportunity to manifest our recognition of the expressions of solidarity and friendship that have characterized relations between our nations. At the same time, we want to express our best wishes for the happiness and increasing development of this sister nation; concludes the president's message.

PROCEEDINGS OF DEFERRED 3RD CONGRESS CONTINUE

Castro on Material Incentives

FL022215 Havana Tele-Rebelde Network in Spanish 1250 GMT 2 Dec 86

[Remarks made by Cuban president Fidel Castro during 1 December final session of the deferred Third Communist Party of Cuba Congress at Havana's Palace of Conventions -- recorded]

[Text] What I believe is that our people are disciplined people. People are more disciplined when candy is distributed or when they have the illusion of perception that candy is being distributed. Money was being distributed everywhere. [as heard] We really went from one extreme to another, from a complete rejection of material incentives -- we had this problem at one time -- to a fetishism with money. There was a belief that all problems could be solved with money. There was also a belief that mechanisms could solve problems. This was another false belief. There was also the belief that in a socialist society problems could be solved with mechanisms. The political work was neglected. We began to experience a number of negative tendencies. I believe that our party, the people who compose the political vanguard of our country, militants and party cadres, are undoubtedly being chosen among this country's best citizens.

What concerned me the most when I became fully aware of all these tendencies was that they could corrupt the party. But fortunately the party is [word indistinct] they could also corrupt the working class. Fortunately, the working class is far from being corrupted. [Words indistinct]...could have devastating consequences. [words indistinct] What the revolution has done is evidence of that.

Problems are not solved by making concessions, going backwards, and inventing capitalist mechanisms. I am certain that socialism is not built with capitalist mechanisms or with any other kind of mechanisms. Mechanisms are tools for building socialism as I said here recently during the journalists meeting. It is above all a political and revolutionary task. I see mechanisms as tools to build socialism. Socialism is not based on any mechanism or any blind law as capitalism is.

I mentioned some examples about how we have been playing with mechanisms, premium payments, and other many things and see the consequences we have had. I believe we need to continue using these mechanisms. I have said before that we are not going to commit the idealistic mistakes we have made in the past.

In the area of material production we have no other choice than to pay wages conmensurate to work [vinculacion]. Socialism is not only concerned with material production but also with the area of for example services or education. Could any of you imagine that we could solve these very complex educational problems we have been discussing about with economic incentives and mechanisms?

I ask myself if our country's public health problem could be solved with economic measures. If we could begin to pay according to the number of patients physicians see each day or by the number of surgeries surgeons perform.

I ask myself and ask you that after the discussions we have had on education, if there is a formula that will solve the problems of education, which are so important, decisive, fundamental, in a way other than with political and revolutionary work. Does everything we have discussed here have a solution?

I ask if the problems experienced by hospitals, health service centers, and everything we want to do related to that field could be solved with economic mechanisms, economic estimates, economic incentives, payment according to work, and things of that sort, we could end up understanding what socialist ideology is and how socialism is built. I believe that those who think that socialism can be built only with economic mechanisms and economic estimates are making a terrible ideologic mistake even if they knew by heart Karl Marx's entire three or four volumes of "Das Kapital." there is no doubt about that, I do not have the slightest doubt about that. Of course, we should consider these mechanisms as tools of [words indistinct].

It would not make sense to pay -- we did it once -- port workers the same whether they handle 10 or 3 tons [of cargo]. We cannot pay a tractor operator the same way. That is the reality, we do not have that kind of operator, we have not created a position like that one where he is paid the same for plowing one or seven [?hectares].

We never did that with canecutters even during the worst idealistic times. We never paid canecutters a set salary because what would happen is just what Raul mentioned: People would come down from the mountains to cut cane. That is a reality.

I believe that a new man, a socialist, communist man has to be created. If we focus too much on material incentives we are never going to shape a communist man. If we do not develop a fraternal and solidarity spirit in men we will never shape communist men. [words indistinct]

When he referred to real salary, he is pointing out one of the characteristics of socialism which is to distribute fairly. It is to take care of the needs of all children regrdless of the fact that his father works more or less, earns more or less. We have to take care of all who are ill regardless of the fact that their father earns more or less [repeats himself] capitalism mainly depends on all those incomes. That is what socialism and communism is about.

It has been proven and history has proven that in the area of material production we cannot make the mistake -- we already made it -- on equality of compensation. I believe that we even have to look deepeer into what communism is because the founders of Marxism could not finish developing their ideas. I believe they did not aspire to develop all of them, I believe they left room for other men to make their small or modest contribution to the ideals of socialism and communism. But in the program of controlled goods [programa de gotas] there are full warehouses and people help themselves thinking resources are plentiful. I explained during the UPEC [Union of Cuban Journalists congress] that in socialism not everything can be based on the theory of plentiful resources. It also requires an awareness to distribute the available goods.

In Marx' times current problems were not present. Natural resource shortages such as minerals and oil did not exist. Pollution and many other problems did not exist. So socialism and communism cannot be built in today's world without developing a combination of material and awareness.

Because socialism and communism cannot be based on the concept of abundance of resources, it does not reflect reality.

I am completely convinced that the development of awareness, education, revolutionary political work, is more and more important in today's world. We are fortunate to have the party.

Well, when the revolution triumphed we did not have the party, the party did not exist. The party was created during a long period of time. It first had 10,000 and later 20,000 members. It would eventually have 100,000 members. It is true that our members were selected very well. There was a party and a leadership. A leadership was not [words indistinct] but now is when we really have a party. Now is when we have a party [repeats himself]. It is a large party, and experienced one. This has been made evident during the debates and presentations made by the comrades who are dealing directly with the problems.

Raul Castro Parade Speech

FL021713 Havana Tele-Rebelde Network in Spanish 1415 GMT 2 Dec 86

[Speech by Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee and minister of the FAR, at the beginning of a military parade to work the 30th anniversary of the landing of the Granma and the day of the FAR, from Havana's Revolution Square -- live]

[Text] Comrade Commander in Chief Fidel Castro, distinguished guests, comrades participating in the military parade, compatriots:

Today we observed the 30th anniversary of the Granma landing. All those of us who have lived these past 30 years of the history of our fatherland are very happy and feel reaffirmed in our faith in the future to be able to commemorate this date with the existence of a party led by Comrade Fidel and prepared to confront any ordeal with a consolidated revolution, with a people forged in the struggle and the supreme protagonist of all their feats.

Three decades ago, a detachment of 82 men embarked on the Granma, fully convinced of victory in their fight against an army which, equipped and trained by the U.S. government, shored up a hateful tyranny. They were ready to give their lives in this endeavor to initiate the last stage of the struggle for definitive national liberation.

On 2 December 1956, the rebel army was born, the soul of the revolution, in the words of the commander in chief. From its victorious arms, the new fatherland emerged free, beautiful, powerful, and invincible. The revolutionary armed forces, the successor of that guerrilla army, are today marking the day of the FAR. All our people have closed ranks with them, joining both the regular forces and the reserves, the territorial troops militia, the brigades of production and defense, the combative and special units, and other embattled forces. The members of the Interior Ministry also participate in defense tasks. We can see with profound and legitimate joy how on arriving at this 30th anniversary, the 82 Granma expeditionaries have grown, with millions of men and women, permanently alert, already to defend their accomplishments and future at whatever the cost.

That is why 2 December is not just the day of the FAR; it is also the day of all our combative people. From this historic square, we salute these people and congratulate them in the name of the party Central Committee and that of the commander in chief.

The long road traversed from the dawn of this struggle has been one of effort and constant striving, but the results of these sacrifices are beyond expectation. In a few days, on 18 December, we will also have the 30th anniversary of the date when, after landing and facing the harassment and persecution of an enemy that used its power with fury, we again met with the leader of the revolution in a place at the foot of the Sierra Maestra called Cinco Palmas. We were only a handful of fighters and our entire arms stock consisted of seven rifles. Fidel, with infinite confidence in victory, said: Now we will really win the war.

Today, in the territory that was the scene of these events alone, the first seven rifles have multiplied by 100,000. I am certain that I am not revealing any military secrets, but this example best illustrates how our capacity to defend the work of the revolution has grown. If the enemy attempts to occupy our fatherland, it will have to face the fire of 700,000 rifles, to name only the ones possessed by the Eastern Army, which, in any case, is not the most powerful of the three armies of general troops that the fatherland can count on for its defense.

Comrades, the celebrations of this anniversary are a good setting for reminiscing, but it is enough to recall that when imperialist hostility menifested itself, the rebel army, in indissoluble alliance with its people, guaranteed national sovereignty and the continuity of the radical revolutionary process that was initiated with the seizure of power in 1959. Furthermore, as our commander in chief said in his report to the first party congress, when the revolutionary forces were not yet fully integrated nor was the party, which was founded later, the rebel army was a factor for cohesion and unity among the people and guaranteed the power of the workers.

The decision to build socialism for the first time in this continent brought a great danger, a life or death battle, for the very survival of the revolution whose destiny was guaranteed when the people joined the armed defense of their achievements. The national revolutionary militias were created, made up of laborers, peasants, workers, intellectuals, and students.

This way, rebel militias and combatants, forged in the fight against scoundrels and in the victorious battles of Playa Giron, turned into reality the Leninist principle that a revolution is only worth anything if it is capable of defending itself. The FAR were formed, a genuine popular army of a new type. Its feats, one after another, were pages in the epic of a whole people and the very history of the revolution. It repulsed the first onslaughts of the enemy; five years of ceaseless fighting to annihilate the last of the 179 counterrevolutionary gangs that in some instances operated all over the country. The first military defeat of imperialism in Latin America was inflicted in the beaches of Playa Giron, only hours after the socialist nature of the revolution was proclaimed.

There were multiple mobilizations when there were threats. There was the serene and unbreakable determination of a whole people during the so-called October crisis of 1962 to sink the whole island in the Caribbean Sea before allowing the return of capitalism to our fatherland. There was also cooperation in the nation's development and internationalist support for other nations, with missions accomplished by hundreds of thousands of Cubans in Angola and Ethiopia. This, broadly speaking, is the glorious service record of the glorious FAR.

The objective of creating powerful and modern armed forces motivated by the demands of contemporary warfare and by the circumstances in which Cuban socialism is built, is now a reality. Our party and government, and especially Comrade Fidel, have given particular attention to this decisive effort. The parade commencing in a few minutes will show the level achieved of some components of our defense, characterized by their high degree of mechanization, power, and high maneuverability.

Of course, to us, then and now, the most valuable and determining factor are the men and women who make up the FAR, who are honorably represented in this military parade.

In the context of the reflections that this anniversary gives rise to, we recall with profound gratitude the solidarity of the party, government, and brother Soviet people and their glorious armed forces which for a quarter of a century, from Playa Giron until today, have supplied us with the necessary arms and techniques for our defense, aside from sharing with us their valuable military expertise.

The ties that bind the FAR and the Soviet Armed Forces stem from identical principles shared by our two Communist Parties. These ties are their true reflection and, the same as this identification of principles, have become consolidated in the course of the years and become more solid each day. These ties will never weaken or break, not yesterday, today, or ever. [applause]

On the 30th anniversary of the FAR, allow me to greet from this stand a beloved Soviet delegation accompanying us in a celebration that is also theirs. This delegation is made up of high-ranking officers who for the past 25 years have successively held the position of principal military adviser to the FAR. [applause] They represent the sons of the Soviet people whose experience and generous solidarity have helped train our armed forces. In them we honor their exemplary internationalism and combative fraternity. The Soviet Union, which is the main bulwark against imperialist aggression on an international scale, is also, because of its power and consistent policies, the vanguard force in the struggle for world peace, as exemplified by the reiterated disarmament peoposals formulated by CPSU General Secretary Mikhail Gorbachev. The very destiny of mankind is being decided in this struggle. Our party supports it without reservation.

Comrades, since it came to power, the present American Administration has posed serious danger to our country. Proclaiming an open crusade against socialism, it stepped up its threats of military aggression, reinforced the criminal economic blockade, and intensified its hostility against Cuba.

In the military sphere, the constant hostility toward our country, maintained since the triumph of the revolution, has grown, with specific measures such as increased reconnaissance flights and improved and powerful military forces through the so-called Caribbean command, located exactly 90 miles from our shores in Key West. This force, without having to prepare beforehand, is capable of unleashing a large-scale attack on our country.

The present U.S. Government has not only practiced this imperial policy of disregard for the most elementary rights and aspirations of nations, against Cuba. In our same geographic area, Nicaragua is resisting with exemplary determination the criminal imperialist aggression. We salute dear brother Humberto Ortega, Army general and minister of defense of the glorious people of Sandino, as the representative of the heroic Central American nation which, under the leadership of the FSLN, is acting patriotically and courageously in defense of its national sovereignty and independence. [appaluse]

At a time when the imperialist government's credibility is crumbling as a result of revelations of muddy maneuverings dealing with the political scandal generated by the sale of arms to Iran, which stresses the lack of ethics and hypocritical essence of its policy, the stature of the small country under attack, which is fighting back confident of final victory, grows in the eyes of international public opinion. Our best message of solidarity and confidence in that victory is ours on this solemn anniversary, and best expressed by the popular song: Nicaragua will follow its path in glory, because it was wise blood, the one that wrote its history. [prolonged applause]

For Cuba, the magnitude of the U.S. threat in recent years, far from frightening us, has driven us to strenthening the defense. Under the party guidance and with the incorporation of determined masses, the conditions have been created to repulse and annihilate any type of aggression, even under a situation in which part of the national territory is temporarily occupied. The best demonstration of that process, for which we are infinitely more powerful, has been the application of all the people's war concepts that are part of our present military doctrine, whose objective is to achieve victory over the enemy at any price and whose essence falls in the participation of all society's forces to repulse foreign aggression over whatever time it becomes necessary and under the sole leadership of Cuba's Communist Party.

In fulfillment of the orders of the first secretary of our party and commander in chief of the FAR, we have prepared ourselves. The country's defense capabilities have been multiplied and, in short, a gigantic beehive of people, irresistible for the enemy, has been created. In the case of a military aggression, all Cuban citizens, all patriots, will have a means, a place, and a way to participate in the struggle and ascertain the defeat of the invaders in the end.

All this gigantic effort is based on the principle established by our Central Committee that, for us, to avoid war is the same as winning it, but in winning in this manner -- that is, avoiding it -- it is necessary to invest numerous human and economic resources and the daily sacrifice contributed by all our people in joining the territorial troop militias, giving one Sunday every month to the defense, performing countless hours of voluntary work in fortifications and other similar tasks.

Coinciding with National Defense Day and the 90th anniversary of the fall in combat of Lieutenant General Antonio Maceo, the "Bastion-86" strategic military maneuvers will begin next 7 December. Participating in these maneuvers, directly or indirectly, will be more than 7 million Cubans, without regard to sex or age, in addition to all central state bodies, mass organizations, and other institutions under the leadership of the party at all levels.

These strategic exercises, the biggest we have ever conducted, will be a superior form of preparation for waging all the people's war. Furthermore, like this military parade, it will be an eloquent evidence of the combative capability we have gained to resist, fight, and win, following the example set by the Mambi army, the combatants of the Moncada barracks, the members of the Granma expeditionary force and rebel army, of whose glorious traditions we will continue to be worthy.

It will equally be an exceptional tribute to all our working people and the third party congress, scheduled to end today, and the best proof that the fulfillment of the program adopted in this historic meeting of the Cuban Communists will be defended by a shield of armed people, led by its vanguard party and headed by its Commander in Chief Fidel Castro Ruz, against whom any attempt by the enemy will always crash. [prolonged applause]

Dear combating people: I congratulate you on the occasion of the 30th anniversary of the Granma landing!

Long live the indestructible friendship between Cuba and the Soviet Union!

Long live the Communist Party of Cuba!

Long live our commander in chief!

Long live free Cuba! [followed by shouts of "viva" by the troops]

Fatherland or death, we shall win! [followed by shouts and prolonged applause]

Castros Bestow Medals

FL030218 Havana Television Cubana Network in Spanish 1800 GMT 2 Dec 86

[Text] Following the parade [commemorating the landing of the Granma and FAR day], a ceremony was held at the foot of the monument of our national hero Jose Marti during which Commander in Chief Fidel Castro Ruz and Army General Raul Castro Ruz presented th Ernesto "Che" Guevara Order, First Degree, and the Internationalist Combatant Medal granted posthumously by the Council of State to Brigadier General Raul Diaz Arguellez because of the revolutionary merits this combatant showed during internationalist missions assigned by our revolution.

During the event, the 30th FAR anniversary medal was also bestowed to an outstanding group which composed the Cuban Internationalist Brigade that cooperated in the 1936 anti-fascist struggle in Spain. The medal is granted in honor of the 50th anniversary of the creation of internationalist brigades and also constitutes an acknowledgement to these Internationalists who later continued cooperating with our FAR and our socialist revolution.

HAVANA RADIO SCORES U.S. VIOLATIONS OF SALT II

PA020450 Havana International Service in Spanish 0000 GMT 2 Dec 86

["Viewpoint" commentary read by Angel Hernandez: "Ronald Reagan's Government Has Violated the SALT II Treaty"]

[Text] The Strategic Arms Limitation Treaties (SALT), drafted by the Soviet Union and the United States, represented an important contribution to reduce the arms race and precluded the possibility of a nuclear conflict in the seventies. The two parties signed SALT I on May 1972, to freeze the existing number of strategic nuclear reactors [as heard] and the Antimissile Defense Agreement, in which the two parties pledged to limit the system to one site per country. This last document was aimed at creating a mutual vulnerability so that this condition would not encourage another generation of atomic weapons. The destructive power accumulated so far and the possibility of retaliating in case of an eventual atomic attack should deter the search for more sophisticated weapons.

SALT II was signed in 1979 following lengthy negotiations. Its main characteristic was the reduction of strategic atomic carriers, with land, submarine, or air installations [emplazamientos], limiting them to 1,350 for both parties. Thus, the road lay open for new negotiations, which would be more profitable for mankind. Uncertainty arose in the U.S. military-industrial complex, and the pressure springs began to tense. Former President James Carter used the Soviet internationalist support to the Afghan revolution as pretext to stop the Congress' approval of SALT II in 1980, even though the Senate's Foreign Relations Committee considered the agreement valid and just. Nevertheless, Washington said that the document's clauses would be respected.

The Reagan era has brought other fatal perspectives. A team whose doctrine considers detente as the death of the imperialist system could not remain tied for a long time to agreements which forestalled its goals. Reagan announced on 27 May that he would violate the SALT II treaty, and the threat was carried out a few hours ago when a B-52 bomber was armed with cruise missiles; this definitely breaks the limit of nuclear carriers agreed to in 1979. The official U.S. decision is grave and represents a threat for all nations' interests. It has taken place at a time when the Soviet Union has carried out highly important peace initiatives which led to the summit meeting and negotiations in Reykjavik. These were miscounstrued by Reagan, himself, with the intention of deceiving Western public opinion. Nevertheless, the initiatives received important international support.

Analysts believe that even though the military-industrial complex is thoroughly enjoying this irrational decision, the White House will not face an easy situation -- particularly at a time when the executive branch has been caught red-handed when it violated the legislation banning sales of weapons to Iran.

Reagan now has a credibility of zero, so it is difficult for many U.S. citizens and a sizable number of U.S. allies to understand the alleged benefits that the violations of SALT II might have for the West.

HAVANA REPORTS U.S. TROOP MOVEMENTS IN HONDURAS

PA011932 Havana International Service in Spanish 1800 GMT 1 Dec 86

[Text] Yesterday, an indeterminate number of U.S. soldiers began a mobilization near the border with Nicaragua in the eastern Honduran department of El Paraiso, press correspondents reported from Tegucigalpa.

The military convoy included 25 jeeps and military trucks which passed through the Honduran city of Danli. According to the sources, the destination of the contingent is still unknown.

Similarly, two U.S. Air Force planes were seen overflying El Paraiso Department.

Peasants in that area have repeatedly reported the presence of Nicaraguan counterrevolutionaries in El Paraiso and other areas near the border with Nicaragua.

U.S. FORCES, CONTRAS 'REAL INVADERS' OF HONDURAS

PA281700 Havana International Service in Spanish 2300 GMT 27 Nov 86

["What the Press Has To Say" feature by Maruja Garcia and Norberto Hernandez]

[Text] [Garcia] The topic of an alleged infiltration of Honduras by Sandinist soldiers has been extensively manipulated by the Western news agencies. The newspaper GRANMA, the official organ of the Central Committee of the Communist Party of Cuba, has published an interesting article addressing this subject by journalist Juan Marrero.

[Hernandez] In his usual section, "Period, New Paragraph," which is very popular with the Cuban public, Marrero refers to the statements of Honduran President Jose Azcona, wh says his country will repel anyone who invades it. Such a statement coincides with a new uproar by the White House, the Central Intelligence Agency, and the capitalist new agencies about thousands of Sandinist soldiers reportedly entering Honduran territory in the last few days.

[Garcia] Marrero stresses that this is not the first time such lies are used by the enemies of Nicaragua. We must recall that in March it was said that 1,500 Sandinist soldiers had invaded Nicaragua. All of this was just a hoax.

[Hernandez] One does not have to look for the invaders of Honduras on the border with Nicaragua, Marrero states, adding that for several years they have been inside Honduras, and neither President Azcona nor the high-ranking Honduran military chiefs have complained about them.

The invaders are, first of all, the several thousand U.S. Armed Forces soldiers and officers and CIA agents, who have turned Honduras into a real aircraft carrier for a possible aggression against Nicaragua.

[Garcia] The military operations center of the U.S. Forces in Honduras is in Palmerola, which presently houses 2,000 officers and soldiers, and one air intelligence unit. At a cost of $13 million, the United States built an 8,000 meter runway that can be used by any U.S. Air Force combat and cargo airplane.

[Hernandez] However, it is not the only Yankee base in Honduran territory; near the town of La Ceiba, on the northern coast, the $8-million (Goroson) runway was inaugurated in July. it also permits landing and take-off of most of the U.S. war planes.

[Garcia] Journalist Marrero adds that another important base is that of El Aguacate, built in 1983 and located 120 km from the Nicaraguan border. It has a 7,000 meter runway, and has become the main CIA operations center.

[Hernandez] The most important shipments for the Nicaraguan counterrevolutionary bands are sent through this base, where the main leaders receive training and instructions. The only invaders of Honduras — the U.S. Army and the Somozist mercenaries — are in those bases, which are not the only ones, although they are the most important.

[Garcia] GRANMA stresses that, at the time of the triumph of the Sandinist people's revolution in 1979, approximately 10,000 members of the National Guard of dictator Somoza fled Nicaragua and settled in Honduras. That was a true invasion, and neither the Honduran rulers nor the United States prevented it nor created a propaganda hullabaloo about it. On the contrary, they encouraged and increased it with the obvious objective of destabilizing Nicaragua.

[Hernandez] It is estimated that there are currently about 15,000 Nicaraguan counterrevolutionaries occupying nearly 2,500 square km of Honduran territory. They not only militarily train there or use it as rearguard for their criminal incursions into Nicaraguan territory, but they also rape Honduran women and steal the land, livestock, and crops from the Honduran peasants.

[Garcia] The GRANMA article concludes by stating that everything shows that the invaders of Honduras are inside that country and that the reports about alleged infiltrations by Nicaraguan troops from a part of a campaign to discredit the Sandinist government. If Azcona wants to repel anyone who invades his territory, Marrero concludes, he sould do so by throwing the Yankees and the counterrevolutionaires out of Honduras.

DUARTE ACCUSED OF DIVERTING QUAKE AID TO ARMY

PA300354 Havana International Service in Spanish 2300 GMT 29 Nov 86

["Our America" commentary, read by Norberto Hernandez]

[Text] During the past weeks, Jose Napoleon Duarte, head of the Salvadoran regime, has tried unsuccessfully to counter the strong criticism over the diversion of international aid for the earthquake victims in San Salvador.

The earthquake occurred on 10 October. Making use of his ill-fated histrionic talent, Duarte spoke at the UN General Assembly recently about his country's need for further assistance because of the earthquake. Although he affirmed that these contributions would be received by thousands of Salvadoran victims, Duarte could not dispel from the minds of his listeners the numerous reports saying that donated food and money have ended up in the Armed Forces and government agencies.

The Salvadoran people, who saw their adobe, cardboard, or zince-sheet homes collapse, still await the international aid of which they have been deprived. A sizable portion of the foreign aid serves to support the Army's counterinsurgency plan, thanks to the approval of Duarte himself, although he asserts the opposite in so prestigious a forum as the United Nations.

The National Union of Salvadoran Workers was forced to create committees of earthquake victims, who organize demonstrations to protest the misuse of foreign aid for the genocidal war. In truth, the Christian Democrat regime, the military High Command, and the powerful U.S. Embassy in San Salvador overlook the local crisis aggravated by the earthquake. The tremors damaged homes, small industries, machinery, energy and water networks, and the few hospitals and schools in the capital. The victims have even built makeshift homes with discarded materials on land owned by millionaires. They will be evicted any moment as the result of these owners' indifference and arrogance. Thousands are homeless and jobless now that the already heavy economic and social load of an undeveloped country has been aggravated. The country is a victim of the U.S. political and military intervention.

The White House gives a considerable quantity of war materiel to El Salvador, but delivers litte assistance in the form of consumer goods for the population. Removed from their fellow Salvadorans' dramatic situation, the Army took strategic positions to repress popular demonstrations. This role, according to Duarte, is considerably removed from that assigned to the military. In view of this reality, Duarte's pledges of assistance prove to be entirely inconsistent.

Pressured by the United States, the Christian Democrat regime advocates military solutions for the problem of the guerrillas, thereby sidestepping the Salvadoran people's tragedy and irresponsibly disregarding the FMLN's serious proposals for dialogue.

ARIAS CRITICIZED ON HANDLING OF NICARAGUA POLICY

PA022119 Havana International Service in Spanish 0000 GMT 2 Dec 86

["Our America" commentary, read by Norberto Hernandez]

[Text] When Costa Ricans elected President Oscar Arias they may have done so in part because they felt the need to keep the country free of commitments to Washington's interventionist policy in Central America.

Many citizens may have believed in good faith the words of Arias as a candiate about the need to maintain Costa Rican neutrality at all cost. Moreover, they may have breathed a sigh of relief when there was some revival in San Jose of the diplomatic efforts seeking peace in a conflict-ridden geographical area.

However, time has put the words and the softening measures in these political matters on trial. Reality prevailed, and demagogy yielded to unadorned submissiveness. This definitive change in the government began a few weeks ago. Everybody should remember Oscar Arias' remarks following the recent talks with representatives from the Yankee foreign policy sent to San Jose. The president said on that occasion that war in Central America was merely a matter of time. The option for the stronger side guided Arias. Following the alleged alarm, there was gossip with Honduras and a rapid slide toward an anti-Nicaraguan position and total support of Washington's aggressive plans against the Sandinist revolution.

Together with his Honduran counterpart Jose Azcona, President Arias recently decided to abandon the Contadora Group and sabotage this peace effort until, he said, the Sandinists prove their support to democracy, which in plain words means until Managua puts aside its dignity and kneels before Reagan.

All this was done with the presence in Costa Rican territory of hundreds of U.S. soldiers — whom the official media purposely ignore — and the opening of Puerto Limon to the U.S. warship harassing Nicaragua.

In exchange for dollars, which will arrive in the form of apparent economic aid, Oscar Arias now seeks to create a new support group to the Contadora Group efforts, parallel to the existing group integrated by Argentina, Uruguay, and Peru. [as heard] Suspiciously, the members of this new support group, intended to be a monster to cause discord, will be appointed during a meeting between Reagan and Arias on 4 December during Arias's visit to the United States.

When Costa Rican Foreign Minister Madrigal Nieto revealed this presidential intiative, many people must have been amazed, particularly because he added that this plan responds to the Costa Rican desire to get other nations committed to the struggle for peace and democracy in Central America.

It would not be surprising if on 4 December among the candidates proposed by the very democratic Oscar Arias were included the names of not less prominent men like Augusto Pinochet, Henry Mamphy, of Alfredo Stroessner, regarded by Washington as true examples of respect for Western and Christian values.

GUATEMALAN STUDENTS PROTEST 'GENOCIDAL ACTIONS'

PA281404 Havana International Service in Spanish 2300 GMT 27 Nov 86

[Report by Jose Diaz in San Jose, Costa Rica]

[Text] The Guatemalan Association of University Students, AEU, has demanded that the government stop the genocidal actions against civilians and the repressive actions against the people's movement. It also accused the government of deceiving the Guatemalan people and the international community with the alleged policy of active neutrality.

In a paid advertisement in the Guatemalan press, the AEU -- the national organization of university students -- demanded that the Vinicio Cerezo government practice the principle of nonintervention, since it has been found that the Guatemalan Government is participating in the plans to destabilize the Nicaraguan people.

In another part of the communique addressed to the national and international community, the AEU stated that the repressive and intimidatory actions against the Mutual Support Group, GAM, show that the government does not have the least respect for the people's organizations. It also demanded the creation of a multisectorial commission to investigate the cases of missing persons, because the government's refusal to do so demonstrates its complicity with the disappearance and kidnapping of thousands of Guatemalans. This is also demonstrated by its refusal to repeal the decree granting amnesty for the assassins of the Guatemalan people.

The AEU also accused the government of maintaining intact the repressive forces that continue to commit genocidal actions against the civilian population, such as the constant bombings in Quiche, Suchitepequez, Solola, and Peten.

SALVADORAN GROUP DEMANDS AMNESTY FOR PRISONERS

PA280328 Havana International Service in Spanish 2300 GMT 27 Nov 86

[Text] The Msgr Oscar Arnulfo Romero Committee of Mothers and Relatives of Political Prisoners, Missing, and Murdered People in El Salvador has demanded amnesty for political prisoners. The committee said that the freedom granted to some disabled prisoners by the Salvadoran regime is only President Duarte's maneuver to improve his image in the international public opinion. After noting that the disabled prisoners had been captured by the Army while they were under Red Cross protection, the committee asked San Salvador's Archbishop Arturo Rivera y Damas to protect the prisoners until they have left the country.

In Washington a group of U.S. lawyers, who recently visited El Salvador, said that political prisoners underwent numerous tortures, among them were burns, electric shocks, simulated executions, and rape.

CASTRO MESSAGE CONGRATULATES LAO PARTY LEADER

BK290422 Vientiane Domestic Service in Lao 0000 GMT 29 Nov 86

[Text] Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee, recently received a greetings message from Comrade Fidel Castro Ruz, first secretary of the Communist Party of Cuba Central Committee. The message reads:

I have learned with great pleasure and revolutionary joy about the success of the Fourth LPRP Congress in which you were reelected general secretary of the party Central Committee. On this occasion, on behalf of our party and the Cuban people, I would like to extend warm and fraternal congratulations to you.

Under the correct leadership and the creative application of the various general principles of Marxism-Leninism to the true situation of the Lao people of all ethnic minorities, the LPRP won historical victories in the struggle against the French colonialists, the Japanese militarists, and the U.S. imperialists. At present, it has recorded successes in building and defending the socialist fatherland. In this constant and continuous revolutionary struggle, the Lao, Vietnamese, and Cambodian nations and their parties -- reliable mainstays ensuring all the victories they have won -- have always maintained special militant solidarity and, from this solidarity, the LPRP has become a strong fortress.

On this happy occasion, beloved Comrade Kaysone Phomvihan, I wish you good health and new success in carrying out the tasks outlined by the fourth party congress. At the same time, I hope that the fraternal friendship relations existing between our two peoples, parties, and states will last forever.

RISQUET MEETS KOREAN WORKERS PARTY DELEGATION

FL291430 Havana Radio Progreso Network in Spanish 1200 GMT 29 Nov 86

[Text] A high-level Korean Workers Party [KWP] delegation, presided over by Hwang Chang-yop, member of the KWP Secretariat, has arrived in Cuba on an official and friendly visit. Jorge Risquet, member of our party's Politburo and Secretariat, met the distinguished visitor.

HUNGARY SIGNS SCIENTIFIC COOPERATION PROTOCOL

FL290150 Havana Television Service in Spanish 0100 29 Nov 86

[Text] The working session of the sub-commission for scientific and technical cooperation between Cuba and the Hungarian People's Republic have ended with the signing of a final protocol. A data processing permanent group was created and cooperaion plans between similar organizations of the two countries were ratified.

The talks included the analysis of Cuba's Accelerated Science and Technology Development Plan and training of Cuban staff in the area of nuclear energy. Representatives of the two sides believe scientific and technical cooperation relations between Cuba and Hungary have entered a higher quality development phase that will greatly benefit the two countries.

FIDEL CASTRO MEETS EUROPEAN PARLIAMENT DELEGATES

FL291700 Havana Radio Reloj Network in Spanish 1500 GMT 29 Nov 86

[Text] Commander in Chief Fidel Castro, president of the Council of State and Ministers, has met with the European Parliament delegation, which is visiting our country at the invitation of the National Assembly of the Peoples' Government [ANPP].

The group of parliamentarians is composed of eight deputies from different European parties and countries and is headed by Alfred (Lona), president of the permanent delegation of the European Parliament for relations with Central America and the Contadora Group countries.

During the meeting, they discussed the international political situation, especially the Central American crisis. Also representing Cuba was Flavio Bravo, president of the ANPP, Ramon (Pez) Ferro, chief of the ANPP International Relations Department, and other officials.

BRIEFS

AMBASSADORS PRESENT CREDENTIALS -- This afternoon, Comrade Juan Almeida Bosque, vice president of the Council of State, received during a solemn meeting Mr Zhanyong Ming who presented his credentials as PRC ambassador. Comrade Isidoro Malmierca, Cuban foreign minister, attended the ceremony. Mr Humphrey Mulemba also presented his credentials as ambassador from the Republic of Zambia. After the ceremony, the ambassador and the delegation accompanying him placed a floral wreath at the foot of Jose Marti Monument at the Revolutionary Square. Likewise, Mr Willie Berriest presented his credentials as ambassador to Cuba from the Kingdom of Belgium. [Text] [Havana Television Service in Spanish 0100 GMT 25 Nov 86 FL]

AMBASSADOR TO SYRIA APPOINTED -- The Cuban Council of State has appointed Jesus Barreiro Gonzalez as extraordinary and plenipotentiary ambassador to the Syrian Arab Republic. [Excerpt] [Havana International Service in Spanish 1600 GMT 29 Nov PA]

GRENADA

BLAIZE CALLS FOR RSS PARAMILITARY ASSISTANCE

FL022150 Bridgetown CANA in English 2111 GMT 2 Dec 86

[Text] St Georges, Grenada, Dec 2, CANA — Grenada said today it had scught paramilitary assistance from its neighbours in the eastern Caribbean because of a worsening law and order situation here and the possibility of trouble as the Maurice Bishop murder trial nears its end.

The trial is just one thing that is taking place in Grenada, Prime Minister Herbert Blaize told the CARIBBEAN NEWS AGENCY (CANA) as the case in which 18 former government and military officials are charged entered its final stages.

Several things have been going on here. People have been hearing gun shots all over the place, there were armed robberies and people being ambushed and things of the sort and we think it was necessary to improve...our security system.

We don't have to wait until things break out.

Blaize's comments came as the first party of about 10 paramilitary police was leaving St Lucia for peace-keeping duties here under the terms of a memorandum of understanding signed by Barbados and members of the organisation of East Caribbean States (OECS).

The Grenada leader said he had appealed to all members of the region [words indistinct] (RSS) except Barbados, because that island's Prime Minister and Minister of Defence Errol Barrow was abroad. All had responded he said.

Informed sources here said earlier that Blaize had requested reinforcements from fellow members of the RSS to meet any trouble that might be caused by sympathisers of the 18 defendants on trial for the murder of Prime Minister Bishop three years ago.

The sources reported that paramilitary units from a number of other members of the RSS would join the St Lucian contingent.

The accused include former Bishop Deputy Bernard Coard, former Army Commander Hudson Austin, and most of the hierarchy of the Peoples Revolutionary Army, formed after the 1979 takeover by the leftwing New Jewel Movement, but disbanded after the collapse of the revolution in 1983.

The trial neared its end this week as acting Chief Justice Dennis Byron began summing up in the case. But Blaize said that in addition to this, it was felt that Grenada needed to "upgrade our security because it has been taking some time."

"We have people being trained, but we want some people who are experienced to be alongside of them...we made the request and they are coming in to give us the assistance that we asked," Blaize told CANA.

This is the second time in three years that security forces from the Caribbean are moving into Grenada. A token force from the Eastern Caribbean landed on the island behind American troops in October 1983 after a military coup in which Prime Minister Bishop, most of his cabinet colleagues, and close to 100 civilians were killed.

Caribbean forces remained until just after 1984 general elections returned a three-party coalition, led by Blaize.

JAMAICA

SEAGA PROMISES FIGHT WITH IMF ON PROGRAM

FL011814 Bridgetown CANA in English 1447 GMT 1 Dec 86

[Text] Kingston, Jamaica, Dec 1, CANA -- Jamaica Prime Minister Edward Seaga is heading for Washington this week for a continuation of thorny talks with the International Monetary Fund (IMF) on a support programme for his wavering economy, but is insisting [words indistinct] agreement only on our terms.

The Seaga government, which has been in and out of IMF programmes since coming to power in 1980, derailed the last agreement with an April budget that called for expanded government spending after three years of harsh austerity that severely dented the prime minister's popularity. Since then government officials have been negotiating with the fund with the main stumbling bloc being the IMF insistence of immediate currency devaluations.

Seaga, speaking last night at the closing of the annual conference of his Jamaica Labour Party (JLP), said there was a major breakthrough during his last negotiations in Washington with the fund a fortnight ago, but he was sceptical it could hold. ...Everytime you take a step forward, when you go back to talk to them they take you a step backward and make you start from scratch again, Seaga declared. However, if the negotiations started at the point where he left them last time, Seaga said, on this occasion we may be able to report that we have been successfully able to obtain an agreement on our terms. Added the prime minister: It is beause we don't intend to settle an agreement with the IMF on their terms, but rather on our terms that the negotiation is taking place so long.

The current positions of either side have not been disclosed, but the IMF had earlier insisted that the current exchange rate, hovering at J5.50 dollar to the U.S. dollar, be pushed immediately to J6.10 for one U.S. dollar and the real exchange rate be maintained thereafter. But the government suggested that the current rate be held until the end of the fiscal year in March, when the Jamaican dollar would drop to J5.91 for one U.S. dollar and then to J6.43 to one U.S. in 1987/89.

There were also disagreements between the fund and the government over expected foreign inflows and the administration's financing gap. The lack of agreement with the IMF, economists here say, has held up capital from multilateral and bilateral sources, as well as the government's efforts to reschedule more of the country's U.S. 3.5 billion dollar foreign debt. That, plus natural disasters, including mid-year flood rains, has also caused reduction in economic growth projections.

When Seaga threw out early this year the report of a joint team from the IMF, World Bank, and the U.S. Agency for International Development (USAID) which suggested continued austerity, he presented a package for expansion on which he predicted a 5.5 per cent growth in the economy this fiscal year. That projection was revised downward to 4.4 per cent and, last month, Central Bank Governor Headley Brown said the current projection was for growth between two per cent and three per cent.

Despite the central role being played by the IMF in the Jamaican economy, Seaga on his Washington visit will be looking beyond the fund for good news of economic assistance. He will also be having talks with USAID.

Since Seaga came to power and pulled Jamaica closer to Washington, Jamaica has received over three quarters of a billion dollars in American aid.

The prime minister told his party conference that U.S. Secretary of State George Shultz had recently warned that American aid to foreign countries would be cut by between a half and two-thirds. Such cutbacks, if applied to Jamaica, would deal a crushing blow to the island's economy, which receives over U.S. 100 million dollars a year in direct USAID programmes. We have no official word (on Shultz's statement), but I intend to have talks with USAID, Seaga said.

TRINIDAD AND TOBAGO

PARLIAMENT DISSOLVED UNTIL 15 DEC ELECTIONS

FL271714 Bridgetown CANA in English 1659 GMT 27 Nov 86

[Text] Port-of-Spain, Trinidad, Nov 27, CANA -- Trinidad and Tobago's bicameral legislature was automatically dissolved today at the end of the current five-year term. Parliamentary officials said persons holding the offices of prime minister, parliamentry opposition leader, and government minister will continue to do so until a new government is elected at general elections on December 15. Other parliamentarians, senators, and backbenchers in the house of representatives, relinquished their offices.

The life of the parliament -- consisting of an upper house (Senate) and a lower House of Representatives -- lasts for five years after a general elections. There are five sessions: one session per year. The next parliamentary session will be named by the government elected at next month's general elections.

ARMY ATTACKS REBELS, STATE OF EMERGENCY DECREED

Military Offensive

PA020358 Paris AFP in Spanish 2153 GMT 1 Dec 86

[By Edouard Pons]

[Text] Paramaribo, 1 Dec (AFP) — A military source today reported in Paramaribo that the Surinamese Army has retaken control of the road to Moengo, 100 km east of the capital, and "cleared the region" this weekend, during the first offensive launched against Ronny Brunswijk's rebels.

A contingent of 300 soldiers sent from this capital on Friday night participated in the clashes along the road and surrounding villages, while the clashes continued in Moengo, the source added:

No military casualties have been reported during the operations, but an Army Indian guide was killed and a civilian was wounded, according to military sources, who added that "many rebels were taken prisoners." This action, the most important ever carried out by the National Army since Suriname was founded in 1980, marks, according to the same sources, the beginning of "an important offensive" in the zones that are currently under control of the rebels. Who "will be persecuted to the last man, no matter where they go."

The operations will continue in the east, the rebels' main area of operations, but also in the region of Brokopondo, where some rebels have been seen. The road to Moengo, which was cut off some 70 km from the capital, is now free of guerrilla forces and has also been repaired; however, the important bauxite mine in that area was still isolated at noon today.

It was reportred today that the civilian government which was installed by Commander Desi Bouterse's regime in July had recently ordered the Army to act more strongly against the rebels, as well as the labor unions, which are restless about "the destruction of the country's infrastructure" by the rebels. It is appropriate to mention that the mine in Moengo supplies the alumina and aluminum for Paranam, 35 km south of Paramaribo, and the bauxite by-products represent 80 percent of Suriname's exports. Military authorities had recently asked the civilian population in the region to leave, and part of Moengo's 2,000 to 3,000 inhabitants had been evacuated by river.

This weekend's offensive cannot be considered "a definite victory" over the rebels, it was reported by the military sources, who stated that the rebels are nevertheless losing control in certain regions and added that they hope the offensive will end by Christmas. Military controls were stepped up in Paramaribo given the fear of a "terrorist" action against energy sources or the city's water supply.

Official Announcement

PA021526 Paris AFP in Spanish 1502 GMT 2 Dec 86

[Text] Paramaribo, 2 Dec (AFP) — The Government of Suriname has decreed a state of emergency in the eastern and southern parts of the country — covering about three-fourths of the national territory — it was officially announced today in Paramaribo. The state of emergency will become effective at 0000 [as received] local time on Tuesday.